

The Ontario Securities Commission

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The Ontario Securities Commission administers the *Securities Act* of Ontario (R.S.O. 1990, c. S.5) and the *Commodity Futures Act* of Ontario (R.S.O. 1990, c. C.20)

**The Ontario Securities Commission**

Cadillac Fairview Tower  
22nd Floor, Box 55  
20 Queen Street West  
Toronto, Ontario  
M5H 3S8

416-593-8314 or Toll Free 1-877-785-1555

Contact Centre – Inquiries, Complaints:

Office of the Secretary:

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**Thomson Reuters**  
One Corporate Plaza  
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416-609-3800 or 1-800-387-5164

Fax: 416-593-8122  
TTY: 1-866-827-1295

Fax: 416-593-2318



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M1T 3V4

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## Chapter 1

# Notices

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### 1.2 Notices of Hearing

#### 1.2.1 Martin Bernholtz – ss. 127, 127.1

FILE NO.: 2018-16

**IN THE MATTER OF  
MARTIN BERNHOLTZ**

**NOTICE OF HEARING**

Sections 127 and 127.1 of the  
*Securities Act*, RSO 1990, c S.5

**PROCEEDING TYPE:** Public Settlement Hearing

**HEARING DATE AND TIME:** Tuesday, May 21, 2019 at 3:00 p.m.

**LOCATION:** 20 Queen Street West, 17th Floor, Toronto, Ontario

#### **PURPOSE**

The purpose of this hearing is to consider whether it is in the public interest for the Commission to approve the Settlement Agreement dated May 16, 2019, between Staff of the Commission and Martin Bernholtz in respect of the Statement of Allegations filed by Staff of the Commission dated March 28, 2018.

#### **REPRESENTATION**

Any party to the proceeding may be represented by a representative at the hearing.

#### **FAILURE TO ATTEND**

**IF A PARTY DOES NOT ATTEND, THE HEARING MAY PROCEED IN THE PARTY'S ABSENCE AND THE PARTY WILL NOT BE ENTITLED TO ANY FURTHER NOTICE IN THE PROCEEDING.**

#### **FRENCH HEARING**

This Notice of Hearing is also available in French on request of a party. Participation may be in either French or English. Participants must notify the Secretary's Office in writing as soon as possible if the participant is requesting a proceeding be conducted wholly or partly in French.

#### **AVIS EN FRANÇAIS**

L'avis d'audience est disponible en français sur demande d'une partie, que la participation à l'audience peut se faire en français ou en anglais et que les participants doivent aviser le Bureau du secrétaire par écrit dès que possible si le participant demande qu'une instance soit tenue entièrement ou partiellement en français.

Dated at Toronto this 16th day of May, 2019.

"Grace Knakowski"  
Secretary to the Commission

#### **For more information**

Please visit [www.osc.gov.on.ca](http://www.osc.gov.on.ca) or contact the Registrar at [registrar@osc.gov.on.ca](mailto:registrar@osc.gov.on.ca).

**1.3 Notices of Hearing with Related Statements of Allegations**

**1.3.1 David Michael Michaels – ss. 127, 127(10)**

**FILE NO.:** 2019-20

**IN THE MATTER OF  
DAVID MICHAEL MICHAELS**

**NOTICE OF HEARING**

Section 127 and subsection 127(10) of the  
*Securities Act*, RSO 1990, c S.5

**PROCEEDING TYPE:** Inter-jurisdictional Enforcement Proceeding

**HEARING DATE AND TIME:** In writing

**PURPOSE**

The purpose of this proceeding is to consider whether it is in the public interest for the Commission to make the order requested in the Statement of Allegations filed by Staff of the Commission dated May 14, 2019.

Take notice that Staff of the Commission has elected to proceed by way of the expedited procedure for a written hearing provided for by Rule 11(3) of the Commission's *Rules of Procedure*.

Staff must serve on you this Notice of Hearing, the Statement of Allegations, Staff's hearing brief containing all documents Staff relies on, and Staff's written submissions.

You have **21 days** from the date Staff serves these documents on you to file a request for an oral hearing, if you do not want to follow the expedited procedure for a written hearing.

Otherwise, you have **28 days** from the date Staff served these documents on you to file your hearing brief and written submissions.

**REPRESENTATION**

Any party to the proceeding may be represented by a representative at the hearing.

**FAILURE TO ATTEND**

**IF A PARTY DOES NOT ATTEND, THE HEARING MAY PROCEED IN THE PARTY'S ABSENCE AND THE PARTY WILL NOT BE ENTITLED TO ANY FURTHER NOTICE IN THE PROCEEDING.**

**FRENCH HEARING**

This Notice of Hearing is also available in French on request of a party. Participation may be in either French or English. Participants must notify the Secretary's Office in writing as soon as possible if the participant is requesting a proceeding be conducted wholly or partly in French.

**AVIS EN FRANÇAIS**

L'avis d'audience est disponible en français sur demande d'une partie, que la participation à l'audience peut se faire en français ou en anglais et que les participants doivent aviser le Bureau du secrétaire par écrit dès que possible si le participant demande qu'une instance soit tenue entièrement ou partiellement en français.

Dated at Toronto this 15th day of May 2019.

"Grace Knakowski"  
Secretary to the Commission

**For more information**

Please visit [www.osc.gov.on.ca](http://www.osc.gov.on.ca) or contact the Registrar at [registrar@osc.gov.on.ca](mailto:registrar@osc.gov.on.ca).

**IN THE MATTER OF  
DAVID MICHAEL MICHAELS**

**STATEMENT OF ALLEGATIONS  
(Subsections 127(1) and 127(10) of the  
Securities Act, RSO 1990 c S.5)**

1. Staff of the Enforcement Branch (**Staff**) of the Ontario Securities Commission (the **Commission**) elect to proceed using the expedited procedure for inter-jurisdictional proceedings as set out in Rule 11(3) of the Commission's Rules of Procedure.

**A. ORDER SOUGHT**

2. Staff request that the Commission make the following inter-jurisdictional enforcement order, pursuant to paragraph 4 of subsection 127(10) of the Ontario *Securities Act*, RSO 1990 c S.5 (the **Act**):

- (a) against David Michael Michaels (**Michaels** or the **Respondent**) that:
- i. pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities by Michaels cease permanently, except that he may trade securities for his own account through a registrant, if he gives the registrant copies of the Order of the British Columbia Securities Commission (**BCSC**) dated October 31, 2014 (the **BCSC Order**) and the order of the Commission in this proceeding, if granted;
  - ii. pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Michaels cease permanently, except he may purchase securities for his own account through a registrant, if he gives the registrant copies of the BCSC Order and the order of the Commission in this proceeding, if granted;
  - iii. pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Michaels permanently, except for those exemptions necessary to enable him to trade or purchase securities in his own account;
  - iv. pursuant to paragraphs 7 and 8.1 of subsection 127(1) of the Act, Michaels resign any positions that he holds as a director or officer of any issuer or registrant;
  - v. pursuant to paragraphs 8 and 8.2 of subsection 127(1) of the Act, Michaels be prohibited permanently from becoming or acting as a director or officer of any issuer or registrant; and
  - vi. pursuant to paragraph 8.5 of subsection 127(1) of the Act, Michaels be prohibited permanently from becoming or acting as a registrant or promoter;
- (b) such other order or orders as the Commission considers appropriate.

**B. FACTS**

Staff make the following allegations of fact:

3. Michaels is subject to the BCSC Order that imposes sanctions, conditions, restrictions or requirements upon him.
4. In its findings on liability dated August 6, 2014 (the **Findings**) a panel of the BCSC (the **BCSC Panel**) found that Michaels engaged in unregistered advising and made misrepresentations, contrary to sections 34(b) and 50(1)(d), respectively, of the British Columbia *Securities Act*, RSBC 1996 c 418 (the **BC Act**).
5. The BCSC Panel further found that Michaels perpetrated a fraud, contrary to section 57(b) of the BC Act.

**(i) The BCSC Proceedings**

*Background*

6. The conduct for which Michaels was sanctioned occurred between June 2007 and December 2010 (the **Material Time**).

7. As at the time of the BCSC proceedings, Michaels was a resident of British Columbia. Michaels was licenced under the British Columbia Insurance Act during the Material Time. Michaels was previously registered under the BC Act as a mutual fund salesperson from 1996 to 2006, but has never been registered after that time.
8. During the Material Time, Michaels sold exempt market securities, among other products, through his business, 509802 BC Ltd. (doing business as Michaels Wealth Management Group) (**509802**).
9. During the Material Time, Michaels promoted his business through a weekly Victoria, British Columbia radio program called "Creating Wealth with David Michaels." Michaels used the radio program to draw new and existing clients to investment seminars he hosted, and to meetings at his offices in Victoria and Vancouver. Michaels also operated a website through which he described various services he offered investors.
10. Of the various media used to promote his business, Michaels' radio program was the most successful and central to his sales strategy. Michaels described himself as a financial services provider, and told his radio program listeners that his target demographic was seniors. The average age of Michaels' clients was 72 years of age.
11. Michaels told clients to sell their existing portfolios, buy exempt market securities, and to borrow against their homes to do so. Michaels steered clients away from traditional investments by telling them such investments produced only losses or poor returns, and that the advisers who sold them could not be trusted. Through his radio program and brochures, Michaels touted the features and benefits of the exempt market securities he offered, but omitted telling clients about the risks associated with those investments. In some cases, Michaels described certain investments he offered as opportunities for his clients to, among other things, earn income without stock market risk or to double retirement savings every six years.
12. Michaels offered a "second opinion" process to help clients, the majority of whom were unsophisticated in investment matters, to decide whether to invest with him. Michaels reviewed their current tax returns and investment statements, and used the information in them to demonstrate how inferior his clients' existing investments were to what he was offering.
13. During the Material Time, Michaels sold \$65 million of exempt market securities to 484 investors, for which he received commissions of \$5.8 million.
14. The BCSC Panel found that securities representing \$40 million of the original \$65 million invested by Michaels' clients were worthless as at the time of the BCSC proceedings, and that investors had suffered significant losses.

*509802 BC Ltd. doing business as Michaels Wealth Management Group*

15. As noted in the Findings, 509802 was controlled by Michaels and did business under the name "Michaels Wealth Management Group." While 509802 was named as a respondent in the BCSC proceedings, no allegations, nor findings, were made against it.

*BCSC Findings – Conclusions*

16. In its Findings, the BCSC Panel concluded that Michaels:
  - (a) acted as an adviser without being registered, contrary to section 34(b) of the BC Act;
  - (b) made misrepresentations, contrary to section 50(1)(d) of the BC Act; and
  - (c) perpetrated a fraud, contrary to section 57(b) of the BC Act.
- (ii) **The BCSC Order**
17. The BCSC Order imposed the following sanctions, conditions, restrictions or requirements upon Michaels:
  - (a) under section 161(1)(b)(ii) of the BC Act, Michaels cease trading in, and is permanently prohibited from purchasing securities, except Michaels may trade or purchase securities for his own account through a registrant, if he gives the registrant a copy of the BCSC Order;
  - (b) under section 161(1)(c) of the BC Act, all exemptions set out in the BC Act do not apply to Michaels permanently, except for those exemptions necessary to enable Michaels to trade or purchase securities in his own account;

- (c) under section 161(1)(d)(i) of the BC Act, Michaels resign any position he holds as a director or officer of an issuer or registrant;
- (d) under section 161(1)(d)(ii) of the BC Act, Michaels is permanently prohibited from becoming or acting as a director or officer of any issuer or registrant;
- (e) under section 161(1)(d)(iii) of the BC Act, Michaels is permanently prohibited from becoming or acting as a registrant or promoter;
- (f) under section 161(1)(d)(iv) of the BC Act, Michaels is permanently prohibited from acting in a management or consultative capacity in connection with activities in the securities market;
- (g) under section 161(1)(d)(v) of the BC Act, Michaels is permanently prohibited from engaging in investor relations activities;
- (h) under section 161(1)(g) of the BC Act, Michaels pay to the BCSC \$5.8 million; and
- (i) under section 162 of the BC Act, Michaels pay to the BCSC an administrative penalty of \$17.5 million.

**(iii) Michaels' Appeal – British Columbia Court of Appeal**

- 18. On November 28, 2014, Michaels filed a Notice of Application for Leave to Appeal with the British Columbia Court of Appeal (**BCCA**) with respect to the Findings and the BCSC Order, respectively. On April 13, 2015, the BCCA granted Michaels leave to appeal the BCSC's Findings that he made misrepresentations and perpetrated a fraud, as well as the BCSC Order. The BCCA denied Michaels leave to appeal the BCSC's Finding that he acted as an adviser without being registered.
- 19. On April 1, 2016, the BCCA issued its Reasons for Judgment, dismissing Michaels' appeal on both the BCSC's Findings and the BCSC Order (*Michaels v British Columbia Securities Commission*, 2016 BCCA 144).

**C. JURISDICTION OF THE ONTARIO SECURITIES COMMISSION**

- 20. The Respondent is subject to an order of the BCSC imposing sanctions, conditions, restrictions or requirements upon him.
- 21. Pursuant to paragraph 4 of subsection 127(10) of the Act, an order made by a securities regulatory authority, derivatives regulatory authority or financial regulatory authority, in any jurisdiction, that imposes sanctions, conditions, restrictions or requirements on a person or company may form the basis for an order in the public interest made under subsection 127(1) of the Act.
- 22. Staff allege that it is in the public interest to make an order against the Respondent.
- 23. Staff reserve the right to amend these allegations and to make such further and other allegations as Staff deem fit and the Commission may permit.

**DATED** at Toronto this 14th day of May, 2019.

Kai Olson  
Litigation Counsel  
Enforcement Branch  
Tel: (416) 597-7242  
Email: [kolson@osc.gov.on.ca](mailto:kolson@osc.gov.on.ca)

**1.4 Notices from the Office of the Secretary**

**1.4.1 David Michael Michaels**

**FOR IMMEDIATE RELEASE  
May 15, 2019**

**DAVID MICHAEL MICHAELS,  
File No. 2019-20**

**TORONTO** – The Office of the Secretary issued a Notice of Hearing pursuant to Subsections 127(1) and 127(10) of the Securities Act.

A copy of the Notice of Hearing dated May 15, 2019 and Statement of Allegations dated May 14, 2019 are available at [www.osc.gov.on.ca](http://www.osc.gov.on.ca).

OFFICE OF THE SECRETARY  
GRACE KNAKOWSKI  
SECRETARY TO THE COMMISSION

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**1.4.2 Money Gate Mortgage Investment Corporation et al.**

**FOR IMMEDIATE RELEASE  
May 15, 2019**

**MONEY GATE MORTGAGE  
INVESTMENT CORPORATION,  
MONEY GATE CORP.,  
MORTEZA KATEBIAN and  
PAYAM KATEBIAN,  
File No. 2017-79**

**TORONTO** – Take notice that the hearing in the above named matter scheduled to be heard on May 16, 2019 will not proceed as scheduled.

The hearing on the merits will continue on June 27 and 28, 2019, commencing at 10:00 a.m. on each scheduled day.

OFFICE OF THE SECRETARY  
GRACE KNAKOWSKI  
SECRETARY TO THE COMMISSION

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**1.4.3 Shane David Yawrenko and Umbrella Merchant Services Inc.**

**FOR IMMEDIATE RELEASE  
May 16, 2019**

**SHANE DAVID YAWRENKO and  
UMBRELLA MERCHANT SERVICES INC.,  
File No. 2019-17**

**TORONTO** – The Office of the Secretary issued a Notice of Hearing pursuant to Subsections 127(1) and 127(10) of the *Securities Act*.

A copy of the Reasons and Decision and the Order dated May 15, 2019 are available at [www.osc.gov.on.ca](http://www.osc.gov.on.ca).

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**1.4.4 3iQ Corp. and The Bitcoin Fund**

**FOR IMMEDIATE RELEASE  
May 15, 2019**

**3IQ CORP. and  
THE BITCOIN FUND,  
File No. 2019-7**

**TORONTO** – Take notice that the hearing in the above named matter scheduled to be heard on June 3, 6 and 7 and July 12, 2019 will be heard on June 3, 6 and 7 and July 24, 2019 at 10:00 a.m.

OFFICE OF THE SECRETARY  
GRACE KNAKOWSKI  
SECRETARY TO THE COMMISSION

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**1.4.5 Martin Bernholtz**

**FOR IMMEDIATE RELEASE  
May 16, 2019**

**MARTIN BERNHOLTZ,  
File No. 2018-16**

**TORONTO** – The Office of the Secretary issued a Notice of Hearing for a hearing to consider whether it is in the public interest to approve a settlement agreement entered into by Staff of the Commission and Martin Bernholtz in the above named matter.

The hearing will be held on May 21, 2019 at 3:00 p.m. on the 17th floor of the Commission's offices located at 20 Queen Street West, Toronto.

A copy of the Notice of Hearing dated May 16, 2019 is available at [www.osc.gov.on.ca](http://www.osc.gov.on.ca).

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## Chapter 2

# Decisions, Orders and Rulings

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### 2.1 Decisions

#### 2.1.1 Brandes Investment Partners & Co. et al.

##### Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – approval of investment fund mergers – approval required because mergers do not meet the criteria for pre-approved reorganizations and transfers in National Instrument 81-102 Investment Funds – terminating funds and continuing funds do not have substantially similar fundamental investment objectives – certain mergers will not be a “qualifying exchange” or a tax-deferred transaction under the Income Tax Act (Canada) – mergers to otherwise comply with pre-approval criteria, including securityholder vote, IRC approval – securityholders provided with timely and adequate disclosure regarding the mergers.

##### Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 5.5(1)(b), 5.7(1)(b), 19.1(2).

April 29, 2019

**IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
ONTARIO  
(the Jurisdiction)**

and

**IN THE MATTER OF  
THE PROCESS FOR EXEMPTIVE RELIEF APPLICATIONS  
IN MULTIPLE JURISDICTIONS**

**AND**

**IN THE MATTER OF  
BRANDES INVESTMENT PARTNERS & CO.  
(the Filer)**

**AND**

**BRANDES GLOBAL BALANCED FUND,  
SIONNA MONTHLY INCOME FUND,  
SIONNA DIVERSIFIED INCOME FUND,  
BRANDES U.S. SMALL CAP EQUITY FUND AND  
SIONNA CANADIAN SMALL CAP EQUITY FUND  
(each, a Terminating Fund, and collectively, the Terminating Funds)**

#### DECISION

##### Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Terminating Funds for a decision under the securities legislation of the Jurisdiction (the **Legislation**) approving the proposed mergers (each, a **Merger** and collectively, the **Mergers**) of each of the Terminating Funds into applicable Continuing Funds (as defined below) pursuant to paragraph 5.5(1)(b) of National Instrument 81-102 *Investment Funds (NI 81-102)* (the **Approval Sought**).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a passport application):

- (a) the Ontario Securities Commission is the principal regulator for this application; and

- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System (MI 11-102)* is intended to be relied upon in each of the provinces and territories of Canada, other than Ontario (together with Ontario, the Canadian Jurisdictions).

### Interpretation

Terms defined in National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined. The following additional terms shall have the following meanings:

**Continuing Fund** means each of Sionna Canadian Balanced Fund, Brandes Global Small Cap Equity Fund and Sionna Opportunities Fund;

**Fund** or **Funds** means, individually or collectively, the Terminating Funds and the Continuing Funds;

**IRC** means the independent review committee for the Funds;

**NI 54-101** means National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*;

**NI 81-106** means National Instrument 81-106 *Investment Fund Continuous Disclosure*;

**NI 81-107** means National Instrument 81-107 *Independent Review Committee for Investment Funds*; and

**Tax Act** means the *Income Tax Act* (Canada).

### Representations

This decision is based on the following facts represented by the Filer:

#### ***The Filer and the Funds***

1. The Filer is a corporation existing under the laws of Nova Scotia having its registered head office in Toronto, Ontario. The Filer operates under the retail trade name, Bridgehouse Asset Managers.
2. The Filer is registered as an investment fund manager in each of Ontario, Quebec, and Newfoundland and Labrador, as a portfolio manager and exempt market dealer in the Canadian Jurisdictions.
3. The Filer is the investment fund manager of each of the Funds.
4. The Funds are open-end mutual funds established as trusts under the laws of the province of Ontario.
5. Units of each of the Funds are currently qualified for sale by a simplified prospectus, annual information form and fund facts documents dated May 10, 2018, as amended (collectively, the **Offering Documents**).
6. Each of the Funds is a reporting issuer under the securities legislation of the Canadian Jurisdictions.
7. Neither the Filer nor any of the Funds are in default of any requirement of securities legislation in any of the Canadian Jurisdictions.
8. Other than circumstances in which the securities regulatory authority of a Canadian Jurisdiction has expressly exempted a Fund therefrom, each of the Funds follows the standard investment restrictions and practices established under NI 81-102.
9. The net asset value for each series of the Funds is calculated on a daily basis on each day that the Toronto Stock Exchange is open for trading, and as described in the Offering Documents. Both the Terminating Funds and the Continuing Funds have substantially similar valuation procedures.

#### ***Reason for Approval Sought***

10. Regulatory approval of the Mergers is required because each Merger does not satisfy all of the criteria for pre-approved reorganizations and transfers set out in section 5.6 of NI 81-102. The pre-approval criteria are not satisfied in the following ways:

- (a) the fundamental investment objectives of each Terminating Fund is not, or may not be considered to be, “substantially similar” to the investment objective of its corresponding Continuing Fund; and
  - (b) the Merger of Brandes U.S. Small Cap Equity Fund into Brandes Global Small Cap Equity Fund (the **Taxable Merger**) will not be completed as a “qualifying exchange” or as a tax-deferred transaction under the Tax Act.
11. Except as described in this decision, the proposed Mergers comply with all of the other criteria for pre-approved reorganizations and transfers set out in section 5.6 of NI 81-102.

### ***The Proposed Mergers***

12. The Filer intends to reorganize the Funds as follows:
- (a) Brandes Global Balanced Fund will merge into Sionna Canadian Balanced Fund;
  - (b) Sionna Monthly Income Fund will merge into Sionna Canadian Balanced Fund;
  - (c) Sionna Diversified Income Fund will merge into Sionna Canadian Balanced Fund;
  - (d) Brandes U.S. Small Cap Equity Fund will merge into Brandes Global Small Cap Equity Fund; and
  - (e) Sionna Canadian Small Cap Equity Fund will merge into Sionna Opportunities Fund.
13. The Taxable Merger will be effected on a taxable basis, while the other Mergers will be effected on a tax-deferred basis.
14. The Filer has determined that it would not be appropriate to effect the Taxable Merger as a “qualifying exchange” within the meaning of section 132.2 of the Tax Act or as a tax-deferred transaction for the following reasons:
- (a) the majority of unitholders in the Terminating Fund are tax-exempt;
  - (b) effecting the Taxable Merger on a taxable basis would preserve the loss carry-forwards in the Continuing Fund; and
  - (c) effecting the Taxable Merger on a taxable basis is not expected to have a tax impact on the Continuing Fund.
15. In accordance with NI 81-106, a press release announcing the proposed Mergers and a material change report were issued and filed via SEDAR on February 5, 2019.
16. The Filer has determined that the applicable Mergers will be a material change for Sionna Canadian Balanced Fund, as the Mergers will entail a change in the business, operations or affairs of Sionna Canadian Balanced Fund that would be considered important by a reasonable investor in determining whether to purchase or continue to hold securities of Sionna Canadian Balanced Fund. The Filer has determined that the other Mergers do not constitute material changes for the other Continuing Funds.
17. As required by NI 81-107, the Filer presented the terms of the Mergers to the IRC for its review. The IRC determined that the Mergers, if implemented, will achieve a fair and reasonable result for each of the Funds.
18. The Filer will pay for the costs of the Mergers. These costs consist mainly of brokerage charges associated with the merger related trades that occur both before and after the Effective Date (as defined below) and legal, proxy solicitation, printing, mailing and regulatory fees.
19. Unitholders of each of the Terminating Funds will continue to have the right to redeem units of their Terminating Funds or switch into units of another mutual fund trust managed by the Filer at any time up to the close of business on the applicable Effective Date. Brandes Global Balanced Fund, Sionna Monthly Income Fund, Sionna Diversified and Sionna Canadian Small Cap Equity Fund are expected to be merged on or about May 3, 2019 and Brandes U.S. Small Cap Equity Fund is expected to be merged on or about August 23, 2019 (each, an **Effective Date** and collectively, the **Effective Dates**).
20. Effective as of the close of business on January 29, 2019, the Terminating Funds were closed to new purchases of units. The Terminating Funds will remain closed to purchase-type transactions, except existing systematic investment programs (such as pre-authorized chequing plans), until they are merged with the Continuing Funds on the applicable Effective Date. All systematic programs shall remain unaffected.

21. When considering a merger of two or more funds, the Filer undertakes a process to ensure its fund line up meets the changing needs of investors. Once the Filer determines it is appropriate to no longer continue offering a particular mandate, the Filer selects the appropriate continuing fund to receive the assets of the merging fund by considering both qualitative and quantitative factors. The qualitative factors considered include the comparability of investment objectives, investment strategies, risk rating, investment philosophy and portfolio construction. When considering quantitative factors, the Filer reviews fund performance, the investment performance correlation between the potential merging funds and continuing funds, any overlap in investment holdings, the asset allocation/sector allocation/geographic allocation of each fund, fees for each series, the difference in assets under management between the funds, a taxation analysis at both the fund and unitholder level and any unique factors that would be applicable for the given merger. Once each of these items has been reviewed, the Filer formalizes the analysis and recommends a continuing fund with which to proceed forward.
22. Following the Mergers, all systematic programs that had been established with respect to the Terminating Funds will be re-established on a series-for-series basis in the applicable Continuing Funds, except for Series AN and Series FN of the Sionna Monthly Income Fund which will be re-established as Series A and Series F, in the corresponding Continuing Fund, unless unitholders advise the Filer otherwise.
23. Unitholders may change or cancel any systematic program at any time and unitholders of the Terminating Funds who wish to establish one or more systematic programs in respect of their holdings in the Continuing Funds may do so following the Mergers.
24. No sales charges will be payable by unitholders of the Funds in connection with the Merger.
25. A notice of meeting, management information circular, proxy and fund facts document(s) of the applicable series of the Continuing Funds (the **Meeting Materials**) were made available to unitholders of each Terminating Fund commencing on or about March 8, 2019 and were filed via SEDAR. The Filer is relying on exemptive relief granted by the securities regulatory authorities of the Canadian Jurisdictions exempting the Terminating Fund and Sionna Canadian Balanced Fund from the requirement in paragraph 12.2(2)(a) of NI 81-106, to send an information circular and proxy-related materials to the unitholders of the Terminating Funds and Sionna Canadian Balanced Fund and instead allow such Funds to make use of the notice-and-access process in section 2.7.1 of NI 54-101. The notice prescribed by section 2.7.1 of NI 54-101 (the **Notice-and-Access Document**), the form of proxy and the fund facts relating to the relevant series of the Continuing Fund were sent to unitholders of the Terminating Fund and Sionna Canadian Balanced Fund commencing on or about March 8, 2019. Additionally, the Notice-and-Access Document and information circular were concurrently filed via SEDAR and posted on the Filer's website.
26. The Meeting Materials describe all relevant facts concerning the Mergers, including the investment objectives and strategies of the Funds, the tax implications and other consequences of the Mergers, as well as the IRC's recommendation of the Mergers, so that unitholders of the Terminating Funds may make an informed decision before voting on whether to approve the Mergers. The Meeting Materials also describe the various ways in which unitholders can obtain a copy of the simplified prospectus, annual information form and fund facts document(s) dated May 10, 2018, as amended, of the Continuing Funds and the most recent interim and annual financial statements and management reports of fund performance of the Continuing Funds.
27. The Terminating Funds and the Continuing Funds are, and are expected to continue to be at all material times, mutual fund trusts under the Tax Act and, accordingly, units of the Funds are "qualified investments" under the Tax Act for registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax free savings accounts.
28. In light of the disclosure in the Meeting Materials, unitholders of the Terminating Funds and Sionna Canadian Balanced Fund have sufficient information necessary to determine whether the proposed Mergers are appropriate for them.
29. Unitholders of the Terminating Funds and Sionna Canadian Balanced Fund approved the relevant Mergers at special meetings held on April 12, 2019.
30. Subject to receipt of the Approval Sought, the Terminating Funds will merge into the Continuing Funds on the applicable Effective Date and the Continuing Funds will continue as publicly offered open-end mutual funds.
31. The investment portfolio and other assets of each Terminating Fund to be acquired by the applicable Continuing Fund in order to effect the Mergers are currently, or will be, acceptable, on or prior to the effective date of the Mergers, to the portfolio manager(s) of the applicable Continuing Fund and are, or will be, consistent with the investment objectives of the applicable Continuing Fund.
32. The Terminating Funds will be terminated as soon as reasonably possible following the Mergers.

**Merger Steps**

33. The proposed Mergers will be structured as follows:
- (a) Prior to the applicable Effective Date, the Terminating Fund will sell securities in its portfolio that do not meet the investment objectives and investment strategies of the Continuing Fund. As a result, the Terminating Fund may temporarily hold cash or cash equivalents and may not be fully invested in accordance with its investment objectives for a brief period of time prior to the Merger.
  - (b) The value of the Terminating Fund's portfolio and other assets will be determined at the close of business on the applicable Effective Date in accordance with its declaration of trust.
  - (c) The Continuing Fund will acquire the assets of the Terminating Fund in exchange for units of the Continuing Fund.
  - (d) The Continuing Fund will not assume any liabilities of the Terminating Fund and the Terminating Fund will retain sufficient assets to satisfy its estimated liabilities, if any, as of the applicable Effective Date.
  - (e) The units of the Continuing Fund received by the Terminating Fund will have a total net asset value equal to the value of the assets acquired by the Continuing Fund from the Terminating Fund, and the units of the Continuing Fund will be issued at the applicable series net asset value per unit as of the close of business on the applicable Effective Date.
  - (f) For the Taxable Merger, the Terminating Fund will distribute to its unitholders a sufficient amount of its net income and net realized capital gains, if any, to ensure that the Terminating Fund will not be subject to tax for its taxation year that includes the applicable Effective Date. For the Tax Deferred Mergers, the Terminating Funds and the Continuing Funds will declare, pay and automatically invest a distribution to its unitholders of net realized capital gains and net income, if any, to ensure that it will not be subject to tax for its current tax year.
  - (g) Immediately thereafter, the units of the Continuing Fund received by the Terminating Fund will be distributed to unitholders of the Terminating Fund on a dollar for dollar basis in exchange for their units in the Terminating Fund, with unitholders of each series of the Terminating Fund receiving the corresponding series of units of the Continuing Fund, except for Series AN and Series FN unitholders of Sionna Monthly Income Fund who will receive units of Series A and Series F, respectively, of the corresponding Continuing Fund.
  - (h) The management fees of each applicable series of the Continuing Fund will be the same or lower than the management fees of the applicable series of the Terminating Fund at the time of the Mergers. Further, the Filer will ensure that current unitholders of the Terminating Funds will have a total cost equal to or less than the cost of the applicable series of the Terminating Fund that the unitholder currently owns. This will be accomplished, where needed, by the provision of management fee rebates to current unitholders of the Terminating Funds who become unitholders of a Continuing Fund upon implementation of the Mergers.
  - (i) As soon as reasonably possible following the Merger, the Terminating Fund will be wound up and the Continuing Fund will continue as a publicly offered open-end mutual fund.

**Benefits of the Mergers**

34. The Filer believes that the Mergers are beneficial to unitholders of each Terminating Fund and Continuing Fund for the following reasons:
- (a) the Mergers will result in a more streamlined and simplified product line-up that is easier for investors to understand;
  - (b) the Mergers will eliminate similar fund offerings, thereby reducing the administrative and regulatory costs of operating each Terminating Fund and the applicable Continuing Fund as separate funds;
  - (c) each Continuing Fund has a portfolio of greater value than each Terminating Fund, allowing for increased portfolio diversification opportunities compared to the corresponding Terminating Fund;
  - (d) the Continuing Funds, as a result of greater size, will benefit from a larger profile in the marketplace by potentially attracting more unitholders and enabling it to maintain a "critical mass";

## Decisions, Orders and Rulings

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- (e) the Continuing Funds, as a result of greater size, will allow the operating expenses to be spread over a larger asset base, which may positively impact the management expense ratio of each Continuing Fund; and
- (f) unitholders of each Terminating Fund will receive units of the applicable Continuing Fund that have a management fee that is the same or lower than that charged in respect of the series of units of the Terminating Fund that they currently hold.

### Decision

The principal regulator is satisfied that the decision meets the test set out in the Legislation for the principal regulator to make the decision.

The decision of the principal regulator under the Legislation is that the Approval Sought is granted.

“Darren McKall”  
Investment Funds and Structured Products  
Ontario Securities Commission

## 2.1.2 Getchell Gold Corporation

### Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief from prospectus requirements to allow company to complete a share restitution to existing shareholders – distribution not covered by legislative exemptions – shares mistakenly traded on a pre-consolidation basis – no investment decision required from Canadian shareholders in order to receive shares.

### Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 53, 74(1).

**IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
ONTARIO  
(the Jurisdiction)**

**AND**

**IN THE MATTER OF  
THE PROCESS FOR EXEMPTIVE RELIEF APPLICATION**

**AND**

**IN THE MATTER OF  
GETCHELL GOLD CORPORATION  
(the Filer)**

**DECISION**

### Background

The principal regulator in the Jurisdiction has received an application from the Filer for a decision under the securities legislation of the Jurisdiction (the “Legislation”) for an exemption from the prospectus requirement in the Legislation in connection with the proposed distribution by the Filer of its common shares to certain existing common shareholders (the “Exemption Sought”).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a passport application):

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (“MI 11-102”) is intended to be relied upon in each of the other provinces and territories of Canada other than Ontario.

### Interpretation

Terms defined in National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

### Representations

This decision is based on the following facts represented by the Filer:

1. The Filer is a corporation incorporated under the laws of the Province of Ontario.
2. The head office of the Filer is located at 855 Brant Street, Burlington, Ontario, Canada.
3. As of the date hereof, the Filer is a reporting issuer in the Provinces of Ontario and Quebec.
4. On November 17, 2017, trading of the common shares in the capital of Wabi Exploration Inc. (“Wabi”), as the Filer was then known, (the “Common Shares”) was halted by the Investment Industry Regulatory Organization of Canada (“IIROC”) at the request of the Canadian Securities Exchange (“CSE”).

## Decisions, Orders and Rulings

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5. On November 27, 2017, the Filer announced the execution of an arrangement agreement (the "Arrangement Agreement") whereby the Filer would acquire all of the issued and outstanding shares of Buena Vista Gold Inc. ("BVG") in consideration for Common Shares.
6. On May 7, 2018, the Filer announced that it would change its name from Wabi Exploration Inc. to Getchell Gold Corp. and change its trading symbol from 'WAB' to 'GTCH'.
7. In connection with its name change, the Filer requested a new ISIN, which ISIN was issued by CDS Clearing and Depository Services Inc. ("CDS") and made the Common Shares eligible for settlement via CDS. The Filer provided the new ISIN to the CSE.
8. On August 24, 2018, the CSE issued bulletin 2018-0818 announcing the new name, new trading symbol and new ISIN of the Filer and noted that the trading halt on the Common Shares in effect since November 17, 2017 would remain pending approval of the fundamental change in the business of the Filer contemplated by the Arrangement Agreement.
9. On October 25, 2018, Capital Transfer Agency (the "Transfer Agent") provided details to CDS regarding the consolidation of the Common Shares contemplated to be issued pursuant to the Arrangement Agreement and requested the issuance of a post-consolidation ISIN for the Common Shares.
10. On October 25, 2018, CDS issued a post-consolidation ISIN for the Common Shares and delivered the post-consolidation ISIN to the Filer and the Transfer Agent via email. The Filer did not provide the new ISIN to the CSE.
11. On November 9, 2018, the Transfer Agent requested eligibility for the post-consolidation ISIN for settlement via CDS.
12. On November 13, 2018, the Filer announced the closing of the transaction contemplated by the Arrangement Agreement (the "RTO Transaction"), including the consolidation of the Common Shares on a 1-for-6 basis.
13. On November 14, 2018, CDS made the post-consolidated ISIN eligible for settlement via CDS and the Transfer Agent informed CDS that a consolidation on a 1-for-6 basis was required.
14. The consolidation was not processed as required by the Arrangement Agreement.
15. On November 30, 2018, the CSE issued bulletin 2018-1135 announcing that the Filer had received approval for its proposed RTO Transaction and that the trading halt in effect since November 17, 2017 would be lifted effective as of December 3, 2018.
16. On December 3, 2018, trading in the Common Shares resumed on the CSE.
17. On December 14, 2018, the Transfer Agent contacted CDS and inquired as to why the Common Shares were trading on a pre-consolidation basis. CDS explained that the CSE had not issued a bulletin regarding the effective date for the consolidation and as such CDS could not process the consolidation.
18. On December 17, 2018, the Transfer Agent contacted the CSE regarding the consolidation. The CSE advised that there would have to be a new ISIN for the consolidated Common Shares. The Transfer Agent confirmed a new post-consolidated ISIN was issued and forwarded the post-consolidated ISIN to the CSE.
19. On December 18, 2018, the Filer and the CSE asked IIROC to halt the trading of Common Shares. IIROC imposed a trading halt on the Common Shares.
20. CDS identified 154 trades through the CSE between 13 buying dealers and 14 selling dealers which may have been affected. The trading price ranged from \$0.16 to \$0.65 per Common Share. CDS also identified 7 trades that were not made through the CSE with a price range of \$0.19 to \$0.40 per Common Share.
21. On January 4, 2019, the CSE issued bulletin 2019-0102 indicating that trades in Common Shares occurring during the Affected Trading Period were settled on a pre-consolidated basis. The bulletin also noted that CDS would correct the deposits, process the consolidation and that trading of the Common Shares would resume on January 7, 2019 on a post-consolidated basis under the post-consolidation ISIN.
22. On January 4, 2019, CDS issued a bulletin advising that CDS would be processing the consolidation on a 1-for-6 basis and that CDS would exchange positions from the pre-consolidation ISIN to the post-consolidation ISIN effective as of January 8, 2019.
23. On January 8, 2019, CDS processed the consolidation on a 1-for-6 basis.

## Decisions, Orders and Rulings

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24. On January 21, 2019, the Common Shares resumed trading on the CSE.
25. During the period from December 3, 2018 to December 18, 2018 (the "Affected Trading Period"), 1,679,282 Common Shares were traded, which, after the consolidation on a 1-for-6 basis, resulted in (i) the buyers of those Common Shares (the "Buyers") receiving 279,880 Common Shares (or 1,399,402 Common Shares less than the Buyers had originally purchased), and (ii) the Buyers having paid \$329,464.32 for Common Shares that had a value, after the consolidation, of \$54,910.72 (or \$274,553.60 less than the Buyers originally paid).
26. The Filer's board of directors approved the issuance of 1,399,402 Common Shares to the Buyers of Common Shares during the Affected Trading Period.
27. The 1,399,402 Common Shares will be issued by the Transfer Agent on behalf of the Filer and then delivered to CDS for distribution to the respective Buyers, with (i) CDS to deliver to the Filer at the time of the delivery of the 1,399,402 Common Shares to CDS an acknowledgement that CDS has received the full Share Restitution Amount for all Buyers, and (ii) CDS to obtain from each of the dealers for the Buyers and then deliver to the Filer acknowledgements that such dealers have received the full Share Restitution Amount for each of their respective Buyers and releases from such dealers for any future claims in respect of this matter.

### Decision

The principal regulator is satisfied that the decision meets the test set out in the Legislation for the principal regulator to make the decision.

The decision of the principal regulator under the Legislation is that the Exemption Sought is granted provided that the Filer makes the distribution as described in paragraph 27.

Dated this 9th day of May, 2019.

"Grant Vingoe"  
Commissioner  
Ontario Securities Commission

"Heather Zordel"  
Commissioner  
Ontario Securities Commission

## 2.2 Orders

### 2.2.1 Solium Capital Inc.

#### Headnote

National Policy 11-206 Process for Cease to be a Reporting Issuer Applications – The issuer ceased to be a reporting issuer under securities legislation.

#### Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(10)(a)(ii).

**Citation:** Re Solium Capital Inc., 2019 ABASC 81

May 15, 2019

IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
ALBERTA AND ONTARIO  
(the Jurisdictions)

AND

IN THE MATTER OF  
THE PROCESS FOR CEASE TO BE A  
REPORTING ISSUER APPLICATIONS

AND

IN THE MATTER OF  
SOLIUM CAPITAL INC.  
(the Filer)

ORDER

#### Background

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Maker**) has received an application from the Filer for an order under the securities legislation of the Jurisdictions (the **Legislation**) that the Filer has ceased to be a reporting issuer in all jurisdictions of Canada in which it is a reporting issuer (the **Order Sought**).

Under the Process for Cease to be a Reporting Issuer Applications (for a dual application):

- (a) the Alberta Securities Commission is the principal regulator for this application;
- (b) the Filer has provided notice that subsection 4C.5(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia, Saskatchewan, Manitoba, Québec, New Brunswick, Prince Edward Island, Nova Scotia, Newfoundland and Labrador; and
- (c) this order is the order of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

#### Interpretation

Terms defined in National Instrument 14-101 *Definitions* or MI 11-102 have the same meaning if used in this order, unless otherwise defined herein.

#### Representations

This order is based on the following facts represented by the Filer:

## Decisions, Orders and Rulings

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1. the Filer is not an OTC reporting issuer under Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*;
2. the outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 securityholders in each of the jurisdictions of Canada and fewer than 51 securityholders in total worldwide;
3. no securities of the Filer, including debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported;
4. the Filer is applying for an order that the Filer has ceased to be a reporting issuer in all of the jurisdictions of Canada in which it is a reporting issuer; and
5. the Filer is not in default of securities legislation in any jurisdiction.

### Order

Each of the Decision Makers is satisfied that the order meets the test set out in the Legislation for the Decision Maker to make the order.

The decision of the Decision Makers under the Legislation is that the Order Sought is granted.

"Timothy Robson"  
Manager, Legal  
Corporate Finance  
Alberta Securities Commission

2.2.2 Shane David Yawrenko and Umbrella Merchant Services Inc. – ss. 127(1), 127(10)

FILE NO.: 2019-17

IN THE MATTER OF  
SHANE DAVID YAWRENKO and  
UMBRELLA MERCHANT SERVICES INC.

M. Cecilia Williams, Commissioner and Chair of the Panel

May 15, 2019

**ORDER**

(Subsections 127(1) and 127(10) of the  
*Securities Act*, RSO 1990, c S.5)

WHEREAS the Ontario Securities Commission held a hearing in writing, to consider a request by Staff of the Ontario Securities Commission (**Staff**) for an order imposing sanctions against Shane David Yawrenko (**Yawrenko**) and Umbrella Merchant Services Inc. (**Umbrella**) (together the **Respondents**) pursuant to subsections 127(1) and 127(10) of the Securities Act, RSO 1990, c S.5 (the **Act**);

ON READING the Settlement Agreement between the Respondents and the Alberta Securities Commission (**ASC**) dated August 17, 2018 (the **Settlement Agreement**) and on reading the materials filed by Staff, the correspondence and consents of the Respondents provided on May 14, 2019 and the draft Order consented to by the Respondents;

IT IS ORDERED:

(a) against Yawrenko that:

- i. pursuant to paragraphs 2 and 2.1 of subsection 127(1) of the Act, trading in any securities or derivatives, or acquisition of any securities, by Yawrenko cease until August 17, 2023, except that he may trade in securities or derivatives through a registrant who has first been given copies of the Settlement Agreement and a copy of this Order;
- ii. pursuant to paragraph 3 of subsection 127(1) of the Act, all exemptions contained in Ontario securities law do not apply to Yawrenko until August 17, 2023;
- iii. pursuant to paragraphs 7 and 8.1 of subsection 127(1) of the Act, Yawrenko resign any positions that he holds as a director or officer of any issuer or registrant;
- iv. pursuant to paragraphs 8 and 8.2 of subsection 127(1) of the Act, Yawrenko is prohibited from becoming or acting as a director or officer of any issuer or registrant until August 17, 2023; and
- v. pursuant to paragraph 8.5 of subsection 127(1) of the Act, Yawrenko is prohibited until August 17, 2023 from becoming or acting as a registrant or promoter; and

(b) against Umbrella that:

- i. pursuant to paragraph 3 of subsection 127(1) of the Act, all exemptions contained in Ontario securities law do not apply to Umbrella until August 17, 2023.

“M. Cecilia Williams”

**2.2.3 Hess Corporation – s. 1(10)(a)(ii)**

**Headnote**

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – application by a reporting issuer for an order that it is not a reporting issuer in Ontario – based on diligent inquiry, residents of Canada (i) do not directly or indirectly beneficially own more than 2% of each class or series of outstanding securities of the issuer worldwide, and (ii) do not directly or indirectly comprise more than 2% of the total number of securityholders of the issuer worldwide – issuer is subject to U.S. securities law requirements – issuer has provided notice through a press release that it has submitted an application to cease to be a reporting issuer in Ontario.

**Applicable Legislative Provisions**

Securities Act (Ontario), s. 1(10)(a)(ii).

**IN THE MATTER OF  
THE SECURITIES ACT,  
R.S.O. 1990, CHAPTER S.5, AS AMENDED  
(the Act)**

**AND**

**IN THE MATTER OF  
HESS CORPORATION  
(the Filer)**

**ORDER  
(Subclause 1(10)(a)(ii))**

**UPON** the Director having received an application from the Filer for an order under subclause 1(10)(a)(ii) of the Act that the Filer is not a reporting issuer in Ontario;

**AND UPON** considering the application and the recommendation of the staff of the Ontario Securities Commission (the **Commission**);

**AND UPON** the Filer representing to the Commission as follows:

1. The Filer is a company established under the laws of Delaware in 1920.
2. The Filer's head office is located at 1185 Avenue of the Americas, 40th Floor, New York, NY 10036 USA.
3. The Filer is an independent global energy company engaged in exploration, development, production, transportation, purchase and sale of crude oil, natural gas liquids, and natural gas with production operations located primarily in the United States (**U.S.**), Denmark, the Malaysia/Thailand Joint Development Area (**JDA**) and Malaysia.
4. The Filer does not have operations (other than a non-operating interest in an offshore well in the Maritimes), employees or offices in Canada.
5. As of November 8, 2018, the Filer's issued and outstanding securities consisted of:
  - (a) 294,748,800 shares of common stock (the **Shares**);
  - (b) 11,500,000 depositary shares, each representing 1/20th interest in a share of Series A 8% Cumulative Mandatory Convertible preferred stock (the **Preferred Shares**); and
  - (c) Fixed-rate public notes (collectively, the **Notes** and collectively with the Shares and the Preferred Shares, the **Securities**):
    - (i) US\$300 million principal amount of 3.5% notes due 2024;
    - (ii) US\$1 billion principal amount of 4.3% notes due 2027;
    - (iii) US\$467 million principal amount of 7.875% notes due 2029;

- (iv) US\$632 million principal amount of 7.3% notes due 2031;
  - (v) US\$540 million principal amount of 7.125% notes due 2033;
  - (vi) US\$750 million principal amount of 6.0% notes due 2040;
  - (vii) US\$1.250 billion principal amount of 5.6% notes due 2041; and
  - (viii) US\$500 million principal amount of 5.8% notes due 2047.
6. The Shares are listed on the New York Stock Exchange (the **NYSE**) under the symbol HES.
  7. The Filer became a reporting issuer in Ontario as a result of the merger, completed on or about June 23, 1969, of Hess Oil & Chemical Corporation with and into Amerada Petroleum Corporation continuing under the name Amerada Hess Corporation.
  8. The Notes are *pari passu* without any preference or additional rights between the Notes. The Notes were all sold pursuant to registered offerings in the United States. Certain of the Notes were sold on a private placement basis to sophisticated institutional investors in Canada pursuant to prospectus exemptions under applicable securities laws.
  9. Canadian holders of Securities who purchased their Securities pursuant to a prospectus exemption under applicable securities laws will be able to rely on Section 2.8 of the Commission's Rule 72-503 to sell their securities outside of Canada following the issuance of this order.
  10. The Filer's Shares were previously listed on the Montreal Stock Exchange and the Toronto Stock Exchange. The Shares were delisted from the Montreal Stock Exchange in 1994 and from the Toronto Stock Exchange in 1999 (the **Delistings**).
  11. The Filer files continuous disclosure reports under the laws, rules and regulations of the United States and the NYSE and is in compliance with applicable requirements of the U.S. *Securities Act of 1933*, the U.S. *Securities Exchange Act of 1934*, the U.S. *Sarbanes-Oxley Act of 2002* and the rules of the NYSE (collectively, the **US Rules**).
  12. In the past 12 months, the Filer has not taken any steps that indicate there is a market for its securities in Canada, including conducting a prospectus offering in Canada, establishing or maintaining a listing on an exchange in Canada or having its securities traded on a marketplace or any other facility in Canada or bringing together buyers and sellers where trading data is publicly reported.
  13. The Filer has no current intention to publicly distribute any securities in Canada, nor does it intend to seek financing by way of a public offering of its securities in Canada.
  14. The Filer's Securities are not, and have not been since the Delistings, traded on a Canadian marketplace as defined in National Instrument 21-101 – *Marketplace Operation* and the Filer does not intend to have its securities listed, traded or quoted on such marketplace in Canada.
  15. The Filer has provided advance notice to securityholders resident in Canada in a press release dated April 25, 2019 that it has applied to the Commission for a decision that it is not a reporting issuer in Ontario, and if that decision is made, the Filer will no longer be a reporting issuer in any jurisdiction in Canada.
  16. The Filer qualifies as a SEC Foreign Issuer under National Instrument 71-102 – *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers (NI 71-102)* and as such relies on and complies with the exemptions from Canadian continuous disclosure requirements afforded to SEC Foreign Issuers under Part 4 of NI 71-102.
  17. The Filer qualifies as a foreign issuer (SEDAR) under National Instrument 13-101 *System for Electronic Document Analysis and Retrieval (SEDAR) (NI 13-101)* and has never elected to file a notice of election to become an electronic filer under NI 13-101 (the **SEDAR Exemption**).
  18. The Filer has provided an undertaking to the Commission to deliver to its Canadian securityholders, all disclosure the Filer would be required to deliver to U.S. resident securityholders, in the same manner and at the same time as delivered to its U.S. resident securityholders under the US Rules.
  19. The Filer is not a reporting issuer in any other jurisdiction in Canada other than Ontario and is not in default of securities legislation in Ontario.

20. The Filer has undertaken a good faith investigation to confirm the residency of the holders of its outstanding Securities. To determine the residency of the beneficial holders of the Securities, the Filer obtained geographic surveys from Broadridge Financial Solutions Inc. (**Broadridge**) and Mediant Communications Inc. (**Mediant**) as of November 8, 2018 (the **Geographic Surveys**). Broadridge and Mediant are intermediary service providers who act on behalf of bank and broker nominees providing back office support and coverage to virtually 100% of street holders combined. In addition, Hess requested that its transfer agent, Computershare Limited (Computershare), review Computershare's registered holders lists for the Shares and the Preferred Shares with a record date of November 8, 2018 (the Registered Holder Review).
21. Based on the Filer's review of the Geographic Surveys and the Registered Holder Review it has concluded that:
- (a) Per the Geographic Surveys, 1,622 residents of Canada beneficially own an aggregate of 4,089,682 Shares (representing 1.28% of the holders of Shares holding 1.39% of the issued and outstanding Shares) and, per the Registered Holder Review, 13 residents of Canada beneficially own an aggregate of 6,181 Shares (representing 0.42% of the holders of Shares holding 0.002% of the issued and outstanding Shares);
  - (b) 11 residents of Canada beneficially own an aggregate of 52,531 Preferred Shares as per the Geographic Surveys (representing 0.21% of the holders of Preferred Shares holding 0.46% of the issued and outstanding Preferred Shares); and
  - (c) In aggregate, a total of 37 residents of Canada (representing 0.3697% of the 10,007 holders of Notes) hold \$89,546,000 of the outstanding \$5,438,293,000 principal of the Notes (1.6466% of the aggregate principal of the Notes).
22. Based on the above, the Filer represents that residents of Canada do not:
- (a) directly or indirectly beneficially own more than 2% of each class or series of outstanding securities (including debt securities taken in the aggregate) of the Filer worldwide, and
  - (b) directly or indirectly comprise more than 2% of the total number of securityholders of the Filer worldwide.

**AND UPON** the Commission being satisfied that it would not be prejudicial to the public interest;

**IT IS HEREBY ORDERED** pursuant to subclause 1(10)(a)(ii) of the Act that, for the purposes of Ontario securities law, the Filer is not a reporting issuer.

**DATED** at Toronto, Ontario on this 16th day of May, 2019.

"Timothy Mosely"  
Commissioner  
Ontario Securities Commission

"Mary Anne De Monte-Whelan"  
Commissioner  
Ontario Securities Commission

**2.4 Rulings**

**2.4.1 PVM Futures, Inc. – s. 38 of the CFA and s. 6.1 of OSC Rule 91-502 Trades in Recognized Options**

**Headnote**

Application to the Commission pursuant to section 38 of the Commodity Futures Act (Ontario) (CFA) for a ruling that the Applicant be exempted from the dealer registration requirement in paragraph 22(1)(a) and the prohibition against trading on non-recognized exchanges in section 33 of the CFA. As an introducing broker, the Applicant will offer the ability to trade in commodity futures contracts and commodity futures options that trade on exchanges located outside of Canada and that are cleared through clearing corporations located outside of Canada, including block trades, to certain of its clients in Ontario who meet the definition of “permitted client” in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations.

Application to the Director for an exemption, pursuant to section 6.1 of OSC Rule 91-502 Trades in Recognized Options (OSC Rule 91-502) exempting the Applicant and its Representatives from the proficiency requirements in section 3.1 of OSC Rule 91-502 for trades in commodity futures options on exchanges located outside of Canada.

**Applicable Legislative Provisions**

Commodity Futures Act, R.S.O. 1990, c. C.20, as am., ss. 22, 33, 38.

Securities Act, R.S.O. 1990, c. S.5, as am.

Ontario Securities Commission Rule 91-502 Trades in Recognized Options, ss. 3.1, 6.1.

National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, s. 8.18.

**IN THE MATTER OF  
THE COMMODITY FUTURES ACT,  
R.S.O. 1990, c. C.20, AS AMENDED  
(the CFA)**

**AND**

**IN THE MATTER OF  
THE SECURITIES ACT,  
R.S.O. 1990, c. S.5, AS AMENDED  
(the OSA)**

**AND**

**IN THE MATTER OF  
ONTARIO SECURITIES COMMISSION RULE 91-502  
TRADES IN RECOGNIZED OPTIONS  
(Rule 91-502)**

**AND**

**IN THE MATTER OF  
PVM FUTURES, INC.**

**RULING & EXEMPTION  
(Section 38 of the CFA and Section 6.1 of Rule 91-502)**

**UPON** the application (the **Application**) of PVM Futures, Inc. (the **Applicant**) to the Ontario Securities Commission (the **Commission**) for:

- (a) a ruling of the Commission, pursuant to section 38 of the CFA, that the Applicant is not subject to the dealer registration requirements in the CFA (as defined below) or the trading restrictions in the CFA in connection with trades (**Futures Trades**) in Exchange-Traded Futures (as defined below), including Block Trades (as defined below) on exchanges located outside Canada (**Non-Canadian Exchanges**) where the Applicant is acting as agent in such trades to, from or on behalf of Permitted Clients (as defined below);
- (b) a ruling of the Commission, pursuant to section 38 of the CFA, that a Permitted Client (as defined below) is not subject to the dealer registration requirements in the CFA or the trading restrictions in the CFA in connection with Futures Trades on Non-Canadian Exchanges, where the Applicant acts in respect of the Futures Trades on behalf of the Permitted Client pursuant to the above ruling; and

- (c) a decision of the Director, pursuant to section 6.1 of Rule 91-502, exempting the Applicant and its salespersons, directors, officers and employees (the **Representatives**) from section 3.1 of Rule 91-502 in connection with Futures Trades.

**AND WHEREAS** for the purposes of this ruling and exemption (collectively, the **Decision**):

- (i) **Block Trade** means a trade in a large quantity of Exchange-Traded Futures entered into between ECPs (in this case, via an introducing broker) pursuant to a privately negotiated transaction that, pursuant to the applicable rules of a Non-Canadian Exchange, are permitted to be executed on the Non-Canadian Exchange apart from the public auction market established by the Non-Canadian Exchange subject to meeting specified quantity thresholds (which are different large amounts depending on the particular Non-Canadian Exchange) and provided that the price of the trade is entered and reported on the Non-Canadian Exchange within a specified time period following the trade;

**CFTC** means the United States Commodity Futures Trading Commission;

**dealer registration requirements in the CFA** means the provisions of section 22 of the CFA that prohibit a person or company from trading in Exchange-Traded Futures unless the person or company satisfies the applicable provisions of section 22 of the CFA;

**ECP** means eligible contract participant as that term is defined in the United States *Commodity Exchange Act*;

**Exchange-Traded Futures** means a commodity futures contract or a commodity futures option that trades on one or more organized exchanges located outside of Canada and that is cleared through one or more clearing corporations located outside of Canada;

**FINRA** means the Financial Industry Regulatory Authority in the United States;

**NI 31-103** means National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*;

**NFA** means the National Futures Association in the United States;

**Permitted Client** means a client in Ontario that is a "permitted client" as that term is defined in section 1.1. of NI 31-103;

**SEC** means the United States Securities and Exchange Commission;

**specified affiliate** has the meaning ascribed to that term in Form 33-109F6 to National Instrument 33-109 *Registration Information*; and

**trading restrictions in the CFA** means the provisions of section 33 of the CFA that prohibit a person or company from trading in Exchange-Traded Futures unless the person or company satisfies the applicable provisions of section 33 of the CFA; and

- (ii) terms used in the Decision that are defined in the OSA, and not otherwise defined in the Decision or in the CFA, shall have the same meaning as in the OSA, unless the context otherwise requires.

**AND UPON** considering the Application and the recommendation of staff of the Commission;

**AND UPON** the Applicant having represented to the Commission and the Director as follows:

- 1 The Applicant is a corporation incorporated under the laws of the State of New Jersey. Its head office is located in New York City, New York, United States of America.
- 2 The Applicant provides introducing broker services for ECPs. In order to provide these services, the Applicant is an approved member of the NFA and is registered as an introducing broker with the CFTC.
- 3 Tullett Prebon Canada Limited (**TPCL**) is an affiliate of the Applicant. TPCL is registered as an exempt market dealer in Ontario, Quebec and Nova Scotia.

- 4 Pursuant to its registrations and memberships, the Applicant is authorized to handle customer orders, to effect Block Trades, and introduce customers to an executing broker registered as a futures commission merchant, and otherwise act as an introducing broker in the United States. Rules of the CFTC and NFA require the Applicant to maintain adequate capital levels, make and keep specified types of records relating to customer accounts and transactions, and comply with other forms of customer protection rules, including rules respecting: know-your-customer obligations, client identification and account-opening requirements, anti-money laundering checks, dealing and handling customer orders obligations including managing conflicts of interest and best execution rules. These rules require the Applicant to treat Permitted Clients consistently with the Applicant's United States customers with respect to transactions made on exchanges in the United States. In respect of Exchange-Traded Futures, the Applicant does not provide direct execution, except for effecting Block Trades and "outrights", or clearing services and is not authorised to receive or hold client money in any jurisdiction.
- 5 The Applicant requires the Decision in order to offer certain of its Permitted Clients in Ontario the ability to trade in Exchange-Traded Futures, including Block Trades, and in connection with such trades the Applicant would act as an introducing broker and effect trades in Exchange-Traded Futures, including Block Trades, on Non-Canadian Exchanges.
- 6 The Applicant is not registered under the *Securities Act* (Ontario) or the CFA.
- 7 The Applicant is not in default of securities legislation in any jurisdiction of Canada or under the CFA. The Applicant is in compliance in all material respects with U.S. securities and commodity futures laws.
- 8 The Applicant will not maintain an office, sales force or physical place of business in Ontario.
- 9 The Applicant will introduce Futures Trades on behalf of Permitted Clients in Ontario in the same manner that it introduces trades on behalf of its United States clients which are ECPs. The Applicant will follow the same know-your-customer and order handling procedures that it follows in respect of its United States clients. Permitted Clients will be afforded the benefits of compliance by the Applicant with statutory and other requirements of the regulators, self-regulatory organizations and exchanges located in the United States. Permitted Clients in Ontario will have the same contractual rights against the Applicant as United States clients of the Applicant.
- 10 In transacting Block Trades for its customers, the Applicant, as the introducing broker, will match a buyer and a seller (both ECPs) in a privately negotiated trade for a large quantity of Exchange-Traded Futures. Pursuant to the rules of the applicable Non-Canadian Exchange, the trade is permitted to be executed apart from the public auction market established by the Non-Canadian Exchange. Once the terms of the trade are agreed upon between the buyer and the seller, the trade is submitted by the Applicant to the Non-Canadian Exchange to be publicly reported within the required time period for Block Trades. Once submitted to the Non-Canadian Exchange, the clearing and settlement process by and through the customer's futures commission merchant will commence independent of the Applicant's involvement in the transaction.
- 11 The Applicant will solicit Futures Trades in Ontario only from persons who qualify as Permitted Clients.
- 12 Permitted Clients of the Applicant will only be offered the ability to effect Futures Trades on Non-Canadian Exchanges.
- 13 The Exchange-Traded Futures to be traded by Permitted Clients will include, but will not be limited to, Exchange-Traded Futures for energy and other commodity products.
- 14 Permitted Clients of the Applicant will be able to execute Exchange-Traded Futures orders by contacting the Applicant's client order handling desk.
- 15 In the case of a trade in Exchange-Traded Futures that is a Block Trade involving a Permitted Client as a buyer or a seller, the Applicant, as the introducing broker, will match the Permitted Client in a privately negotiated trade, which will be executed apart from the public auction market established by the applicable Non-Canadian Exchange and submitted for public reporting to the Non-Canadian Exchange within the required time period applicable for Block Trades. Once submitted to the Non-Canadian Exchange, the clearing and settlement process by and through the Permitted Client's futures commission merchant in accordance with the rules and customary practices of the exchange will commence independent of the Applicant's involvement in the transaction. In no case will the Applicant enter into a give-up agreement with any executing broker registered as a futures commission merchant or clearing broker unless such firm is registered with the applicable regulatory bodies in the jurisdiction in which it executes the trades in Exchange-Traded Futures, and as with any executing broker registered as a futures commission merchant or clearing broker located in the U.S., unless such firm is registered with the SEC and/or CFTC, as applicable.

- 16 In the case of a trade in Exchange-Traded Futures that is not a Block Trade involving a Permitted Client, the Applicant may perform introducing (as introducing broker) functions for Futures Trades. The executing broker will act to “give-up” the transacted trades to the Permitted Client’s clearing broker.
- 17 The clearing brokers and executing broker will also be required to comply with the rules of the exchanges of which each is a member and any relevant regulatory requirements, including requirements under the CFA, as applicable. Where applicable, the Permitted Client, the executing broker and the Permitted Client’s clearing broker will represent to the Applicant, in an industry-standard give-up agreement, that each will perform its obligations in accordance with applicable laws, governmental, regulatory, self-regulatory, exchange and clearing house rules and the customs and usages of the exchange or clearing house on which the relevant Permitted Client’s Exchange-Traded Futures order will be executed and cleared. The Applicant will not enter into a give-up agreement with any executing broker registered as a futures commission merchant or clearing broker unless such firm is registered with the applicable regulatory bodies in the jurisdiction in which it executes Futures Trades.
- 18 As is customary for all Futures Trades, a clearing corporation appointed by the exchange or clearing division of the exchange is substituted as a universal counterparty on all trades in Exchange-Traded Futures and Permitted Client orders that are submitted to the exchange in the name of the recognized exchange member and clearing broker. Where applicable, the Permitted Client of the Applicant is responsible to its clearing broker for payment of daily mark-to-market variation margin and/or proper margin to carry open positions and the Permitted Client’s clearing broker is in turn responsible to the clearing corporation/division for payment.
- 19 Permitted Clients will pay commissions for trades introduced by the Applicant.
- 20 Absent this Decision, the trading restrictions in the CFA apply unless, among other things, an Exchange-Traded Future is traded on a recognized or registered commodity futures exchange and the form of the contract is approved by the Director. To date, no Non-Canadian Exchanges have been recognized or registered under the CFA.
- 21 If the Applicant was registered under the CFA as a “futures commission merchant”, it could rely upon certain exemptions from the trading restrictions in the CFA to effect trades of Exchange-Traded Futures to be entered into on certain Non-Canadian Exchanges.
- 22 Section 3.1 of Rule 91-502 states that any person who trades as agent in, or gives advice in respect of, a recognized option, as defined in section 1.1 of Rule 91-502 is required to successfully complete the Canadian Options Course (which has been replaced by the Derivatives Fundamentals Course and the Options Licensing Course).
- 23 All Representatives of the Applicant who would trade futures or options for Permitted Clients have passed the National Commodity Futures Examination (Series 3), being the relevant futures and options proficiency examination administered by FINRA.

**AND UPON** the Commission and Director being satisfied that it would not be prejudicial to the public interest to grant the order requested;

**IT IS RULED**, pursuant to section 38 of the CFA, that the Applicant is not subject to the dealer registration requirements set out in the CFA and the trading restrictions in the CFA in connection with Futures Trades where the Applicant is acting as agent in such trades to, from or on behalf of Permitted Clients provided that:

- (a) each client effecting Futures Trades is a Permitted Client;
- (b) the executing broker and clearing broker each represent and covenant to the Applicant that it is or will be appropriately registered or exempt from registration under the CFA, in connection with the Permitted Client effecting trades in Exchange-Traded Futures; provided that these requirements will not apply in the context of a Block Trade if the Applicant does not know and cannot reasonably determine the identity of the executing broker or the clearing broker at the time of the trade and would not have an opportunity to obtain such representations or take such steps;
- (c) the Applicant only introduces Futures Trades for Permitted Clients on Non-Canadian Exchanges;
- (d) at the time trading activity is engaged in, the Applicant:
  - (i) has its head office or principal place of business in the United States;
  - (ii) is registered as an introducing broker with the CFTC;

- (iii) is a member firm of the NFA; and
- (iv) engages in the business of an introducing broker in Exchange-Traded Futures in the United States;
- (e) the Applicant has provided to the Permitted Client the following disclosure in writing:
  - (i) a statement that the Applicant is not registered in Ontario to trade in Exchange-Traded Futures as principal or agent;
  - (ii) a statement that the Applicant's head office or principal place of business is located in New York, New York, United States of America;
  - (iii) a statement that all or substantially all of the Applicant's assets may be situated outside of Canada;
  - (iv) a statement that there may be difficulty enforcing legal rights against the Applicant because of the above; and
  - (v) the name and address of the Applicant's agent for service of process in Ontario.
- (f) the Applicant has submitted to the Commission a completed *Submission to Jurisdiction and Appointment of Agent for Service* in the form attached as Appendix "A" hereto;
- (g) the Applicant notifies the Commission of any regulatory action initiated after the date of this decision in respect of the Applicant, or any predecessors or specified affiliates of the Applicant, by completing and filing with the Commission Appendix "B" hereto within ten days of the commencement of any such action; provided that the Applicant may satisfy this condition by filing with the Commission within ten days of the date of this decision a notice making reference to and incorporating by reference the disclosure made by the Applicant pursuant to U.S. federal securities laws that is identified in the FINRA BrokerCheck system, and any updates to such disclosure that may be made from time to time and by providing notification, in a manner reasonably acceptable to the Director, of any filing of a Form BD "Regulatory Action Disclosure Reporting Page" required by FINRA;
- (h) if the Applicant does not rely on the international dealer exemption in section 8.18 of NI 31-103 (the **IDE**), by December 31st of each year, the Applicant pays a participation fee based on its specified Ontario revenues for its previous financial year in compliance with the requirements of Part 3 and section 6.4 of OSC Rule 13-502 *Fees* as if the Applicant relied on the IDE;
- (i) by December 1st of each year, the Applicant notifies the Commission of its continued reliance on the exemption from the dealer registration requirement granted pursuant to this Decision by filing Form 13-502F4 *Capital Markets Participation Fee Calculation*; and
- (j) this Decision will terminate on the earliest of:
  - (i) the expiry of any transition period as may be provided by law, after the effective date of the repeal of the CFA;
  - (ii) six months, or such other transition period as may be provided by law, after the coming into force of any amendment to Ontario commodity futures law (as defined in the CFA) or Ontario securities law (as defined in the OSA) that affects the dealer registration requirements in the CFA or the trading restrictions in the CFA; and
  - (iii) five years after the date of this Decision.

**AND IT IS FURTHER RULED**, pursuant to section 38 of the CFA, that a Permitted Client is not subject to the dealer registration requirements in the CFA or the trading restrictions in the CFA in connection with Futures Trades on Non-Canadian Exchanges where the Applicant acts in connection with Futures Trades on behalf of the Permitted Clients pursuant to the above ruling.

May 3, 2019

"Lawrence Haber"  
Commissioner  
Ontario Securities Commission

“Heather Zordel”  
Commissioner  
Ontario Securities Commission

**IT IS THE DECISION** of the Director, pursuant to section 6.1 of Rule 91-502, that section 3.1 of Rule 91-502 does not apply to the Applicant and its Representatives in respect of Futures Trades, provided that:

- (a) the Applicant and its Representatives maintain their respective registrations with the CFTC and NFA which permit them to trade in commodity futures options in the United States; and
- (b) this Decision will terminate on the earliest of:
  - (i) the expiry of any transition period as may be provided by law, after the effective date of the repeal of the CFA;
  - (ii) six months, or such other transition period as may be provided by law, after the coming into force of any amendment to Ontario commodity futures law (as defined in the CFA) or Ontario securities law (as defined in the OSA) that affects the dealer registration requirements in the CFA or the trading restrictions in the CFA; and
  - (iii) five years after the date of this Decision.

May 3, 2019

“Elizabeth King”  
Deputy Director  
Ontario Securities Commission

APPENDIX "A"

SUBMISSION TO JURISDICTION AND APPOINTMENT OF AGENT FOR SERVICE

INTERNATIONAL DEALER OR INTERNATIONAL ADVISER EXEMPTED FROM  
REGISTRATION UNDER THE COMMODITY FUTURES ACT, ONTARIO

- 1 Name of person or company ("International Firm"):
- 2 If the International Firm was previously assigned an NRD number as a registered firm or an unregistered exempt international firm, provide the NRD number of the firm:
- 3 Jurisdiction of incorporation of the International Firm:
- 4 Head office address of the International Firm:
- 5 The name, e-mail address, phone number and fax number of the International Firm's individual(s) responsible for the supervisory procedure of the International Firm, its chief compliance officer, or equivalent.
- Name:  
E-mail address:  
Phone:  
Fax:
- 6 The International Firm is relying on an exemption order under section 38 or section 80 of the *Commodity Futures Act* (Ontario) that is similar to the following exemption in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (the "Relief Order"):
- Section 8.18 [*international dealer*]
- Section 8.26 [*international adviser*]
- Other
- 7 Name of agent for service of process (the "Agent for Service"):
- 8 Address for service of process on the Agent for Service:
- 9 The International Firm designates and appoints the Agent for Service at the address stated above as its agent upon whom may be served a notice, pleading, subpoena, summons or other process in any action, investigation or administrative, criminal, quasi-criminal or other proceeding (a "Proceeding") arising out of or relating to or concerning the International Firm's activities in the local jurisdiction and irrevocably waives any right to raise as a defence in any such proceeding any alleged lack of jurisdiction to bring such Proceeding.
- 10 The International Firm irrevocably and unconditionally submits to the non-exclusive jurisdiction of the judicial, quasi-judicial and administrative tribunals of the local jurisdiction in any Proceeding arising out of or related to or concerning the International Firm's activities in the local jurisdiction.
- 11 Until 6 years after the International Firm ceases to rely on the Relief Order, the International Firm must submit to the regulator
- (a) a new Submission to Jurisdiction and Appointment of Agent for Service in this form no later than the 30th day before the date this Submission to Jurisdiction and Appointment of Agent for Service is terminated;
- (b) an amended Submission to Jurisdiction and Appointment of Agent for Service no later than the 30th day before any change in the name or above address of the Agent for Service; and
- (c) a notice detailing a change to any information submitted in this form, other than the name or above address of the Agent for Service, no later than the 30th day after the change.
- 12 This Submission to Jurisdiction and Appointment of Agent for Service is governed by and construed in accordance with the laws of the local jurisdiction.

**Decisions, Orders and Rulings**

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Dated: \_\_\_\_\_

\_\_\_\_\_  
(Signature of the International Firm or authorized signatory)

\_\_\_\_\_  
(Name of signatory)

\_\_\_\_\_  
(Title of signatory)

**Acceptance**

The undersigned accepts the appointment as Agent for Service of \_\_\_\_\_ [Insert name of International Firm] under the terms and conditions of the foregoing Submission to Jurisdiction and Appointment of Agent for Service.

Dated: \_\_\_\_\_

\_\_\_\_\_  
(Signature of the Agent for Service or authorized signatory)

\_\_\_\_\_  
(Name of signatory)

\_\_\_\_\_  
(Title of signatory)

This form, and notice of a change to any information submitted in this form, is to be submitted through the Ontario Securities Commission's Electronic Filing Portal:

<https://www.osc.gov.on.ca/filings>

**APPENDIX "B"**

**NOTICE OF REGULATORY ACTION**

1. Has the firm, or any predecessors or specified affiliates<sup>1</sup> of the firm entered into a settlement agreement with any financial services regulator, securities or derivatives exchange, SRO or similar agreement with any financial services regulator, securities or derivatives exchange, SRO or similar organization?

Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, provide the following information for each settlement agreement:

- Name of entity
- Regulator/organization
- Date of settlement (yyyy/mm/dd)
- Details of settlement
- Jurisdiction

2. Has any financial services regulator, securities or derivatives exchange, SRO or similar organization:

	Yes	No
(a) Determined that the firm, or any predecessors or specified affiliates of the firm violated any securities regulations or any rules of a securities or derivatives exchange, SRO or similar organization?	_____	_____
(b) Determined that the firm, or any predecessors or specified affiliates of the firm made a false statement or omission?	_____	_____
(c) Issued a warning or requested an undertaking by the firm, or any predecessors or specified affiliates of the firm?	_____	_____
(d) Suspended or terminated any registration, licensing or membership of the firm, or any predecessors or specified affiliates of the firm?	_____	_____
(e) Imposed terms or conditions on any registration or membership of the firm, or predecessors or specified affiliates of the firm?	_____	_____
(f) Conducted a proceeding or investigation involving the firm, or any predecessors or specified affiliates of the firm?	_____	_____
(g) Issued an order (other than an exemption order) or a sanction to the firm, or any predecessors or specified affiliates of the firm for securities or derivatives-related activity (e.g. cease trade order)?	_____	_____

If yes, provide the following information for each action:

- Name of Entity
- Type of Action
- Regulator/organization
- Date of action (yyyy/mm/dd) Reason for action
- Jurisdiction

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<sup>1</sup> In this Appendix, the term "specified affiliate" has the meaning ascribed to that term in Form 33-109F6 to National Instrument 33-109 – *Registration Information*.

3. Is the firm aware of any ongoing investigation of which the firm or any of its specified affiliates is the subject?

Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, provide the following information for each investigation:

Name of entity

Reason or purpose of investigation

Regulator/organization

Date investigation commenced (yyyy/mm/dd)

Jurisdiction

Name of firm

Name of firm's authorized signing officer or partner

Title of firm's authorized signing officer or partner

Signature

Date (yyyy/mm/dd)

***Witness***

The witness must be a lawyer, notary public or commissioner of oaths.

Name of witness

Title of witness

Signature

Date (yyyy/mm/dd)

This form, and notice of a change to any information submitted in this form, is to be submitted through the Ontario Securities Commission's Electronic Filing Portal: <https://www.osc.gov.on.ca/filings>

## Chapter 3

# Reasons: Decisions, Orders and Rulings

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### 3.1 OSC Reasons

#### 3.1.1 Shane David Yawrenko and Umbrella Merchant Services Inc. – ss. 127(1), 127(10)

**IN THE MATTER OF  
SHANE DAVID YAWRENKO and  
UMBRELLA MERCHANT SERVICES INC.**

**REASONS AND DECISION  
(Subsections 127(1) and 127(10) of the  
Securities Act, RSO 1990, c S.5)**

**Citation:** *Yawrenko (Re)*, 2019 ONSEC 15

**Date:** 2019-05-15

**File No.** 2019-17

Hearing: In Writing

Decision: May 15, 2019

Panel: M. Cecilia Williams                      Commissioner

Submissions: Alvin Qian                              For Staff of the Commission

                    Patrick Robinson                              For Shane David Yawrenko and Umbrella Merchant Services Inc.

### REASONS AND DECISION

#### I. INTRODUCTION

- [1] On August 17, 2018, Shane David Yawrenko (**Yawrenko**) and Umbrella Merchant Services Inc. (**Umbrella**) (together, the **Respondents**) entered into a Settlement Agreement and Undertaking with the Alberta Securities Commission (**ASC**) (the **Settlement Agreement**).
- [2] Pursuant to the Settlement Agreement, the Respondents each agreed to be made subject to sanctions, conditions, restrictions or requirements within the province of Alberta.
- [3] On May 2, 2019, Staff of the Ontario Securities Commission (**Staff**) elected to proceed with a hearing in writing<sup>1</sup> for an inter-jurisdictional enforcement proceeding under subsection 127(10) of the Ontario *Securities Act*, RSO 1990, c S.5 (the **Act**) to request that a protective order be issued in the public interest under subsection 127(1).
- [4] As set out in the Affidavit of Service of Lee Crann, sworn May 10, 2019,<sup>2</sup> on May 6, 2019, the Respondents were served by email with the Notice of Hearing issued May 6, 2019, the Statement of Allegations dated May 2, 2019, Staff's written submissions, hearing brief<sup>3</sup> and book of authorities.
- [5] On May 6, 2019, counsel, representing both Respondents, sent an email informing the Registrar of the Ontario Securities Commission (**OSC**) that the Respondents consented to Staff's requested order in this matter. Correspondence was sent from the Registrar on May 10, 2019 asking that (1) each of the Respondents provide a signed written consent to Staff's order, and (2) the Corporation indicate who has signing authority on behalf of the dissolved corporation to consent to the order. Signed consents were provided by the Respondents by email on May 14, 2019.<sup>4</sup>

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<sup>1</sup> Staff brought this inter-jurisdictional enforcement proceeding under the expedited procedure provided in Rule 11(3) of the OSC's *Rules of Procedure and Forms (2017)*, 40 OSCB 8988.

<sup>2</sup> The Affidavit of Service of Lee Crann, sworn May 10, 2019 is marked as Exhibit 1.

<sup>3</sup> Staff's Hearing Brief is marked as Exhibit 2.

<sup>4</sup> The signed consents of the Respondents are marked as Exhibit 3.

[6] The issues for me to consider are whether one of the circumstances under subsection 127(10) of the Act applies to the Respondents, specifically, have they agreed with a securities regulatory authority to be made subject to sanctions, conditions, restrictions or requirements (s. 127(10)5), and if so, whether the OSC should exercise its jurisdiction to make a protective order in the public interest pursuant to subsection 127(1) of the Act.

## II. ASC SETTLEMENT AND ORDER

[7] In the Settlement Agreement, the Respondents acknowledged and admitted that they breached subsection 110(1) of the *Alberta Securities Act*, RSA 2000 c S-4 by distributing securities without having filed and received a receipt for a preliminary prospectus or a prospectus, and without an exemption from that requirement for some of those distributions.

[8] The Respondents agreed to be subject to the following sanctions:

- (a) Yawrenko agreed and undertook to refrain for a period of five years from the date of the Settlement Agreement from:
  - i. trading in and purchasing securities or derivatives, except trades made through a registrant who has first been given a copy of the Settlement Agreement;
  - ii. using any of the exemptions contained in Alberta securities laws;
  - iii. becoming or acting as a director or officer (or both) of any issuer, registrant or investment fund manager in Alberta or elsewhere in Canada and to resign any positions he has as a director or officer, or both, of any issuer, registrant, or investment fund manager;
  - iv. becoming or acting as a registrant, investment fund manager or promoter; and
  - v. acting in a management or consultative capacity in connection with activities in the securities market; and
- (b) Umbrella undertook and agreed to refrain from using any of the prospectus and registration exemptions contained in Alberta securities laws for a period of five years from the date of the Settlement Agreement.

[9] In addition, the Respondents agreed and undertook to jointly and severally pay the ASC \$55,000 in settlement of all of the allegations against them.

[10] In the Settlement Agreement, the Respondents also acknowledged that the Settlement Agreement may form the basis for securities-related orders in other jurisdictions in Canada.

## III. CONSENT ORDER

[11] Staff requests, and the Respondents consent to, an order in the public interest in Ontario that imposes terms similar to the non-monetary sanctions imposed by the ASC, to the extent possible under the Act.

## IV. ORDER

[12] Since both Staff and the Respondents consent to the granting of an order under subsection 127(1) in the public interest, and the requirements of subsection 127(10) of the Act are satisfied, I will issue the following order against the Respondents:

- (a) against Yawrenko that:
  - i. pursuant to paragraphs 2 and 2.1 of subsection 127(1) of the Act, trading in any securities or derivatives, or acquisition of any securities, by Yawrenko cease until August 17, 2023, except that he may trade in securities or derivatives through a registrant who has first been given copies of the Settlement Agreement and a copy of this Order;
  - ii. pursuant to paragraph 3 of subsection 127(1) of the Act, all exemptions contained in Ontario securities law do not apply to Yawrenko until August 17, 2023;
  - iii. pursuant to paragraphs 7 and 8.1 of subsection 127(1) of the Act, Yawrenko resign any positions that he holds as a director or officer of any issuer or registrant;

**Reasons: Decisions, Orders and Rulings**

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- iv. pursuant to paragraphs 8 and 8.2 of subsection 127(1) of the Act, Yawrenko is prohibited from becoming or acting as a director or officer of any issuer or registrant until August 17, 2023; and
  - v. pursuant to paragraph 8.5 of subsection 127(1) of the Act, Yawrenko is prohibited until August 17, 2023 from becoming or acting as a registrant or promoter; and
- (b) against Umbrella that:
- i. pursuant to paragraph 3 of subsection 127(1) of the Act, all exemptions contained in Ontario securities law do not apply to Umbrella until August 17, 2023.

Dated at Toronto this 15th day of May, 2019.

“M. Cecilia Williams”

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## Chapter 4

# Cease Trading Orders

### 4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Revoke
THERE IS NOTHING TO REPORT THIS WEEK.				

### Failure to File Cease Trade Orders

Company Name	Date of Order	Date of Revocation
Compel Capital Inc.	06 May 2019	16 May 2019
Corsurex Resource Corp.	06 May 2019	16 May 2019
CryptoStar Corp.	06 May 2019	14 May 2019
Goldspot Discoveries Corp.	10 May 2019	14 May 2019
HyperBlock Inc.	17 May 2019	
St-Georges Eco-Mining Corp.	06 May 2019	16 May 2019
Walton Big Lake Development L.P.	06 May 2019	16 May 2019

### 4.2.1 Temporary, Permanent & Rescinding Management Cease Trading Orders

Company Name	Date of Order	Date of Lapse
HyperBlock Inc.	02 May 2019	17 May 2019
Reservoir Capital Corp.	02 May 2019	14 May 2019

### 4.2.2 Outstanding Management & Insider Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Expire	Date of Issuer Temporary Order
Performance Sports Group Ltd.	19 October 2016	31 October 2016	31 October 2016		

Company Name	Date of Order	Date of Lapse
Blocplay Entertainment Inc.	03 May 2019	
Dionymed Brands Inc.	03 May 2019	
HyperBlock Inc.	02 May 2019	17 May 2019
Katanga Mining Limited	15 August 2017	
Namaste Technologies Inc.	04 April 2019	
Organto Foods Inc.	02 May 2019	
Reservoir Capital Corp.	02 May 2019	14 May 2019
TREE OF KNOWLEDGE INTERNATIONAL CORP.	01 MAY 2019	

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## Chapter 7

# Insider Reporting

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This chapter is available in the print version of the OSC Bulletin, as well as as in Carswell's internet service SecuritiesSource (see [www.carswell.com](http://www.carswell.com)).

This chapter contains a weekly summary of insider transactions of Ontario reporting issuers in the System for Electronic Disclosure by Insiders (SEDI). The weekly summary contains insider transactions reported during the seven days ending Sunday at 11:59 pm.

To obtain Insider Reporting information, please visit the SEDI website ([www.sedi.ca](http://www.sedi.ca)).



## Chapter 11

# IPOs, New Issues and Secondary Financings

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### INVESTMENT FUNDS

**Issuer Name:**

AGF Asian Growth Class  
AGF Asian Growth Fund  
AGF Canadian Large Cap Dividend Class  
AGF Canadian Large Cap Dividend Fund  
AGF Elements Global Portfolio  
AGF Elements Global Portfolio Class  
AGF Global Equity Class  
AGF Global Equity Fund  
AGF Global Sustainable Growth Equity Fund  
AGF Tactical Income Fund  
AGFiQ Dividend Income Fund  
Principal Regulator – Ontario

**Type and Date:**

Amendment #1 to Final Simplified Prospectus dated May 14, 2019  
Received on May 14, 2019

**Offering Price and Description:**

–

**Underwriter(s) or Distributor(s):**

AGF Funds Inc.

**Promoter(s):**

N/A

**Project #2885099**

**Issuer Name:**

Emerge ARK AI & Big Data ETF (formerly, Emerge ARK Artificial Intelligence ETF)  
Emerge ARK Autonomous Tech & Robotics ETF (formerly, Emerge ARK Autonomous Technology ETF)  
Emerge ARK Genomics & Biotech ETF (formerly, Emerge ARK Genomic Revolution ETF)  
Emerge ARK Global Disruptive Innovation ETF  
Emerge ARK Israel Innovative Technology Index ETF  
Principal Regulator – Ontario

**Type and Date:**

Amended and Restated to Prelim or Combined Prelim and Pro Forma Long Form Prospectus dated May 13, 2019  
NP 11-202 Preliminary Receipt dated May 14, 2019

**Offering Price and Description:**

CAD Units and the USD Units

**Underwriter(s) or Distributor(s):**

N/A

**Promoter(s):**

Emerge Canada Inc.

**Project #2873690**

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**Issuer Name:**

Imperial U.S. Equity Pool  
Principal Regulator – Ontario

**Type and Date:**

Amendment #2 to Final Simplified Prospectus dated May 13, 2019  
Received on May 14, 2019

**Offering Price and Description:**

Class A units

**Underwriter(s) or Distributor(s):**

N/A

**Promoter(s):**

Canadian Imperial Bank of Commerce

**Project #2834443**

**Issuer Name:**

Natixis Canadian Bond Fund  
Loomis Sayles Global Diversified Corporate Bond Fund  
Loomis Sayles Strategic Monthly Income Fund  
Gateway Low Volatility U.S. Equity Fund  
Natixis Strategic Balanced Registered Fund  
Natixis Intrinsic Balanced Registered Fund  
Natixis Canadian Dividend Registered Fund  
Natixis Intrinsic Growth Registered Fund  
Natixis U.S. Dividend Plus Registered Fund  
Natixis U.S. Growth Registered Fund  
Natixis Global Equity Registered Fund  
Natixis Canadian Preferred Share Registered Fund  
Oakmark Natixis Registered Fund  
Oakmark International Natixis Registered Fund  
Natixis Canadian Bond Class  
Loomis Sayles Global Diversified Corporate Bond Class  
Natixis Strategic Balanced Class  
Natixis Intrinsic Balanced Class  
Natixis Canadian Dividend Class  
Natixis Intrinsic Growth Class  
Natixis U.S. Dividend Plus Class  
Natixis U.S. Growth Class  
Natixis Global Equity Class  
Natixis Canadian Preferred Share Class  
Oakmark Natixis Class  
Oakmark International Natixis Class  
Principal Regulator – Ontario

**Type and Date:**

Amendment #2 to Final Simplified Prospectus dated May 17, 2019

Received on May 18, 2019

**Offering Price and Description:**

–

**Underwriter(s) or Distributor(s):**

Natixis Investment Managers Canada LP.  
NGAM Canada LP

**Promoter(s):**

N/A

**Project #2768482**

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**Issuer Name:**

HSBC Wealth Compass Conservative Fund  
HSBC Wealth Compass Moderate Conservative Fund  
HSBC Wealth Compass Balanced Fund  
HSBC Wealth Compass Growth Fund  
HSBC Wealth Compass Aggressive Growth Fund  
Principal Regulator – British Columbia

**Type and Date:**

Amendment #1 to Final Simplified Prospectus dated May 17, 2019

Received on May 17, 2019

**Offering Price and Description:**

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**Underwriter(s) or Distributor(s):**

HSBC Investment Funds (Canada) Inc.

**Promoter(s):**

HSBC Global Asset Management (Canada) Limited

**Project #2838065**

**Issuer Name:**

iShares ESG MSCI Canada Index ETF  
iShares ESG MSCI USA Index ETF  
iShares ESG MSCI EAFE Index ETF  
iShares ESG MSCI Emerging Markets Index ETF  
iShares ESG Canadian Aggregate Bond Index ETF  
iShares ESG Canadian Short Term Bond Index ETF  
Principal Regulator – Ontario

**Type and Date:**

Amendment #1 to Final Long Form Prospectus dated May 16, 2019

Received on May 17, 2019

**Offering Price and Description:**

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**Underwriter(s) or Distributor(s):**

N/A

**Promoter(s):**

N/A

**Project #2865331**

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**Issuer Name:**

AGF Asian Growth Class  
AGF Asian Growth Fund  
AGF Canadian Large Cap Dividend Class  
AGF Canadian Large Cap Dividend Fund  
AGF Elements Global Portfolio  
AGF Elements Global Portfolio Class  
AGF Global Equity Class  
AGF Global Equity Fund  
AGF Global Sustainable Growth Equity Fund  
AGF Tactical Income Fund  
AGFiQ Dividend Income Fund  
Principal Regulator – Ontario

**Type and Date:**

Amendment #1 to Final Simplified Prospectus dated May 14, 2019

NP 11-202 Receipt dated May 15, 2019

**Offering Price and Description:**

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**Underwriter(s) or Distributor(s):**

AGF Funds Inc.

**Promoter(s):**

N/A

**Project #2885099**

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**Issuer Name:**

Renaissance U.S. Equity Growth Fund  
Principal Regulator – Ontario

**Type and Date:**

Amendment #2 to Final Simplified Prospectus dated May 13, 2019

NP 11-202 Receipt dated May 16, 2019

**Offering Price and Description:**

Class A, F, and O units

**Underwriter(s) or Distributor(s):**

N/A

**Promoter(s):**

CIBC Asset Management Inc.

**Project #2796618**

**Issuer Name:**

Imperial U.S. Equity Pool  
Principal Regulator – Ontario

**Type and Date:**

Amendment #2 to Final Simplified Prospectus dated May 13, 2019

NP 11-202 Receipt dated May 16, 2019

**Offering Price and Description:**

Class A units

**Underwriter(s) or Distributor(s):**

N/A

**Promoter(s):**

Canadian Imperial Bank of Commerce

Project #2834443

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**Issuer Name:**

Canadian Scholarship Trust Family Savings Plan  
Canadian Scholarship Trust Individual Savings Plan  
Canadian Scholarship Trust Group Savings Plan 2001  
Principal Regulator – Ontario

**Type and Date:**

Final Long Form Prospectus dated May 15, 2019

NP 11-202 Receipt dated May 16, 2019

**Offering Price and Description:**

–

**Underwriter(s) or Distributor(s):**

C.S.T. CONSULTANTS INC.

**Promoter(s):**

N/A

Project #2886634

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**Issuer Name:**

Canadian Scholarship Trust Group Savings Plan 2001  
Canadian Scholarship Trust Family Savings Plan  
Canadian Scholarship Trust Individual Savings Plan  
Principal Regulator – Ontario

**Type and Date:**

Final Long Form Prospectus dated May 15, 2019

NP 11-202 Receipt dated May 16, 2019

**Offering Price and Description:**

Units

**Underwriter(s) or Distributor(s):**

C.S.T. CONSULTANTS INC.

**Promoter(s):**

N/A

Project #2886637

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**Issuer Name:**

Canadian Scholarship Trust Individual Savings Plan  
Canadian Scholarship Trust Group Savings Plan 2001  
Canadian Scholarship Trust Family Savings Plan  
Principal Regulator – Ontario

**Type and Date:**

Final Long Form Prospectus dated May 15, 2019

NP 11-202 Receipt dated May 16, 2019

**Offering Price and Description:**

Units

**Underwriter(s) or Distributor(s):**

C.S.T. CONSULTANTS INC.

**Promoter(s):**

N/A

Project #2886641

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**Issuer Name:**

CIBC U.S. Equity Fund  
Principal Regulator – Ontario

**Type and Date:**

Amendment #2 to Final Simplified Prospectus dated May 13, 2019

NP 11-202 Receipt dated May 16, 2019

**Offering Price and Description:**

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**Underwriter(s) or Distributor(s):**

CIBC Securities Inc.

**Promoter(s):**

N/A

Project #2771903

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**Issuer Name:**

Evolve Electronic Gaming ETF  
Evolve Materials & Mining Index ETF  
Principal Regulator – Ontario

**Type and Date:**

Preliminary Long Form Prospectus dated May 15, 2019

NP 11-202 Preliminary Receipt dated May 16, 2019

**Offering Price and Description:**

Hedged ETF Units

Unhedged ETF Units

**Underwriter(s) or Distributor(s):**

N/A

**Promoter(s):**

N/A

Project #2917841

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**Issuer Name:**

Emerge ARK Fintech Innovation ETF  
Principal Regulator – Ontario

**Type and Date:**

Preliminary Long Form Prospectus dated May 14, 2019  
NP 11-202 Preliminary Receipt dated May 14, 2019

**Offering Price and Description:**

USD Units, CAD Units

**Underwriter(s) or Distributor(s):**

N/A

**Promoter(s):**

N/A

**Project #2916546**

BMO Global Equity Class  
BMO Global Equity Fund  
BMO Global Growth & Income Fund  
BMO Global Infrastructure Fund  
BMO Global Low Volatility ETF Class  
BMO Global Monthly Income Fund  
BMO Global Multi-Sector Bond Fund  
BMO Global Small Cap Fund  
BMO Global Strategic Bond Fund  
BMO Greater China Class  
BMO Growth & Income Fund  
BMO Growth ETF Portfolio  
BMO Growth ETF Portfolio Class  
BMO Growth Opportunities Fund  
BMO Income ETF Portfolio  
BMO Income ETF Portfolio Class  
BMO International Equity ETF Fund  
BMO International Equity Fund  
BMO International Value Class  
BMO International Value Fund  
BMO Japan Fund  
BMO LifeStage Plus 2022 Fund  
BMO LifeStage Plus 2025 Fund  
BMO LifeStage Plus 2026 Fund  
BMO LifeStage Plus 2030 Fund  
BMO Low Volatility Canadian Equity ETF Fund  
BMO Money Market Fund  
BMO Monthly Dividend Fund Ltd.  
BMO Monthly High Income Fund II  
BMO Monthly Income Fund  
BMO Mortgage and Short-Term Income Fund  
BMO Multi-Factor Equity Fund  
BMO North American Dividend Fund  
BMO Precious Metals Fund  
BMO Preferred Share Fund  
BMO Resource Fund  
BMO Retirement Balanced Portfolio  
BMO Retirement Conservative Portfolio  
BMO Retirement Income Portfolio  
BMO Risk Reduction Equity Fund  
BMO Risk Reduction Fixed Income Fund  
BMO SelectClass Balanced Portfolio  
BMO SelectClass Equity Growth Portfolio  
BMO SelectClass Growth Portfolio  
BMO SelectClass Income Portfolio  
BMO SelectTrust Balanced Portfolio  
BMO SelectTrust Conservative Portfolio  
BMO SelectTrust Equity Growth Portfolio  
BMO SelectTrust Fixed Income Portfolio  
BMO SelectTrust Growth Portfolio  
BMO SelectTrust Income Portfolio  
BMO SIA Focused Canadian Equity Fund  
BMO SIA Focused North American Equity Fund  
BMO Tactical Balanced ETF Fund  
BMO Tactical Dividend ETF Fund  
BMO Tactical Global Asset Allocation ETF Fund  
BMO Tactical Global Bond ETF Fund  
BMO Tactical Global Equity ETF Fund  
BMO Tactical Global Growth ETF Fund  
BMO Target Education 2020 Portfolio  
BMO Target Education 2025 Portfolio  
BMO Target Education 2030 Portfolio  
BMO Target Education 2035 Portfolio

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**Issuer Name:**

BMO Ascent Balanced Portfolio  
BMO Ascent Conservative Portfolio  
BMO Ascent Equity Growth Portfolio  
BMO Ascent Growth Portfolio  
BMO Ascent Income Portfolio  
BMO Asian Growth and Income Class  
BMO Asian Growth and Income Fund  
BMO Asset Allocation Fund  
BMO Balanced ETF Portfolio  
BMO Balanced ETF Portfolio Class  
BMO Bond Fund  
BMO Canadian Equity Class  
BMO Canadian Equity ETF Fund  
BMO Canadian Equity Fund  
BMO Canadian Large Cap Equity Fund  
BMO Canadian Small Cap Equity Fund  
BMO Canadian Stock Selection Fund  
BMO Concentrated Global Equity Fund  
BMO Concentrated U.S. Equity Fund  
BMO Conservative ETF Portfolio  
BMO Core Bond Fund  
BMO Core Plus Bond Fund  
BMO Covered Call Canada High Dividend ETF Fund  
BMO Covered Call Canadian Banks ETF Fund  
BMO Covered Call Europe High Dividend ETF Fund  
BMO Covered Call U.S. High Dividend ETF Fund  
BMO Crossover Bond Fund  
BMO Diversified Income Portfolio  
BMO Dividend Class  
BMO Dividend Fund  
BMO Emerging Markets Bond Fund  
BMO Emerging Markets Fund  
BMO Equity Growth ETF Portfolio  
BMO Equity Growth ETF Portfolio Class  
BMO European Fund  
BMO Fixed Income ETF Portfolio  
BMO Floating Rate Income Fund  
BMO Fossil Fuel Free Fund  
BMO FundSelect Balanced Portfolio  
BMO FundSelect Equity Growth Portfolio  
BMO FundSelect Growth Portfolio  
BMO FundSelect Income Portfolio  
BMO Global Balanced Fund  
BMO Global Diversified Fund  
BMO Global Dividend Class  
BMO Global Dividend Fund  
BMO Global Energy Class

BMO Target Education Income Portfolio  
BMO U.S. Dividend Fund  
BMO U.S. Dollar Balanced Fund  
BMO U.S. Dollar Dividend Fund  
BMO U.S. Dollar Equity Index Fund  
BMO U.S. Dollar Money Market Fund  
BMO U.S. Dollar Monthly Income Fund  
BMO U.S. Equity Class  
BMO U.S. Equity ETF Fund  
BMO U.S. Equity Fund  
BMO U.S. Equity Plus Fund  
BMO U.S. High Yield Bond Fund  
BMO U.S. Small Cap Fund  
BMO Women in Leadership Fund  
BMO World Bond Fund  
Principal Regulator – Ontario  
Principal Regulator – Ontario

**Type and Date:**

Combined Preliminary and Pro Forma Simplified  
Prospectus dated May 15, 2019  
NP 11-202 Preliminary Receipt dated May 15, 2019

**Offering Price and Description:**

Series G, BMO Private Preferred Share Fund Series O,  
Advisor Series, Series F2, Series F6, Advisor Series  
(Hedged), Series L, ETF Series, Series T6, Series A,  
Series A (Hedged), Series NBA, Advisor series, Series F,  
BMO Private U.S., Dollar Money Market Fund Series O,  
Advisor Series, Series F (Hedged), Series F4, Series D,  
Series NBF, Series T4, Series I, Series T8, Series N,  
Series S, BMO Private U.S. High Yield Bond Fund Series  
O, Series T5, Classic Series  
Series M

**Underwriter(s) or Distributor(s):**

N/A

**Promoter(s):**

N/A

**Project #2898872**

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NON-INVESTMENT FUNDS

**Issuer Name:**

AcuityAds Holdings Inc.  
Principal Regulator – Ontario

**Type and Date:**

Final Short Form Prospectus dated May 14, 2019  
NP 11-202 Receipt dated May 15, 2019

**Offering Price and Description:**

\$8,001,100.00 – 5,162,000 Common Shares  
\$1.55 per Common Share

**Underwriter(s) or Distributor(s):**

HAYWOOD SECURITIES INC.  
CORMARK SECURITIES INC.  
PARADIGM CAPITAL INC.  
ECHELON WEALTH PARTNERS INC.  
EIGHT CAPITAL

**Promoter(s):**

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**Project #2908417**

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**Issuer Name:**

Corus Entertainment Inc.  
Principal Regulator – Ontario

**Type and Date:**

Preliminary Short Form Prospectus dated May 16, 2019  
NP 11-202 Preliminary Receipt dated May 16, 2019

**Offering Price and Description:**

\$548,286,604.40 – 80,630,383 Class B Non-Voting  
Participating Shares

PRICE: C\$6.80 per Class B Share

**Underwriter(s) or Distributor(s):**

TD SECURITIES INC.  
CIBC WORLD MARKETS INC.  
RBC DOMINION SECURITIES INC.  
SCOTIA CAPITAL INC.  
NATIONAL BANK FINANCIAL INC.  
BMO NESBITT BURNS INC.  
DESJARDINS SECURITIES INC.  
ALTACORP CAPITAL INC.  
BARCLAYS CAPITAL CANADA INC.  
CANACCORD GENUITY CORP.  
CORMARK SECURITIES INC.  
MUG SECURITIES (CANADA), LTD.  
RAYMOND JAMES LTD.

**Promoter(s):**

–

**Project #2917051**

**Issuer Name:**

Element Fleet Management Corp. (formerly Element  
Financial Corporation)  
Principal Regulator – Ontario

**Type and Date:**

Preliminary Shelf Prospectus dated May 14, 2019  
NP 11-202 Preliminary Receipt dated May 14, 2019

**Offering Price and Description:**

\$3,750,000,000.00 – Debt Securities, Preferred Shares,  
Common Shares, Subscription Receipts, Warrants, Units

**Underwriter(s) or Distributor(s):**

–

**Promoter(s):**

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**Project #2916575**

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**Issuer Name:**

Enerplus Corporation  
Principal Regulator – Alberta

**Type and Date:**

Preliminary Shelf Prospectus dated May 16, 2019  
NP 11-202 Preliminary Receipt dated May 16, 2019

**Offering Price and Description:**

\$2,000,000,000.00 – Common Shares, Preferred Shares,  
Warrants, Subscription Receipts, Units

**Underwriter(s) or Distributor(s):**

–

**Promoter(s):**

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**Project #2918312**

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**Issuer Name:**

Euro Sun Mining Inc. (formerly Carpathian Gold Inc.)  
Principal Regulator – Ontario

**Type and Date:**

Preliminary Shelf Prospectus dated May 13, 2019  
NP 11-202 Preliminary Receipt dated May 14, 2019

**Offering Price and Description:**

\$300,000,000.00 – Common Shares, Preferred Shares,  
Warrants, Subscription Receipts, Units, Debt Securities

**Underwriter(s) or Distributor(s):**

–

**Promoter(s):**

–

**Project #2916275**

**Issuer Name:**

Glacier Credit Card Trust  
Principal Regulator – Ontario

**Type and Date:**

Preliminary Shelf Prospectus dated May 14, 2019  
NP 11-202 Preliminary Receipt dated May 14, 2019

**Offering Price and Description:**

Up to \$2,000,000,000.00 Credit Card Asset-Backed Notes

**Underwriter(s) or Distributor(s):**

BMO NESBITT BURNS INC.  
CIBC WORLD MARKETS INC.  
CITIGROUP GLOBAL MARKETS CANADA INC.  
DESJARDINS SECURITIES INC.  
HSBC SECURITIES (CANADA) INC.  
MUFG SECURITIES (CANADA), LTD.  
NATIONAL BANK FINANCIAL INC.  
RBC DOMINION SECURITIES INC.  
SCOTIA CAPITAL INC.  
TD SECURITIES INC.

**Promoter(s):**

CANADIAN TIRE BANK

**Project #2916645**

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**Issuer Name:**

Good2Go2 Corp.  
Principal Regulator – Ontario

**Type and Date:**

Preliminary CPC Prospectus dated May 16, 2019  
NP 11-202 Preliminary Receipt dated May 17, 2019

**Offering Price and Description:**

Offering: \$225,000.00 – 2,250,000 Common Shares  
Price: C\$0.10 per Common Share

**Underwriter(s) or Distributor(s):**

Haywood Securities Inc.

**Promoter(s):**

James Cassina

**Project #2918259**

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**Issuer Name:**

Greenbrook TMS Inc.  
Principal Regulator – Ontario

**Type and Date:**

Final Short Form Prospectus dated May 14, 2019  
NP 11-202 Receipt dated May 14, 2019

**Offering Price and Description:**

\$11,375,000.00 – 3,500,000 Common Shares  
Price: C\$3.25 per Offered Share

**Underwriter(s) or Distributor(s):**

BLOOM BURTON SECURITIES INC.  
CLARUS SECURITIES INC.  
DESJARDINS SECURITIES INC.  
GMP SECURITIES L.P.

**Promoter(s):**

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**Project #2907391**

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**Issuer Name:**

Resverlogix Corp.  
Principal Regulator – Alberta

**Type and Date:**

Preliminary Short Form Prospectus dated May 14, 2019  
NP 11-202 Preliminary Receipt dated May 14, 2019

**Offering Price and Description:**

Minimum: \$\* (\* Units)  
Maximum: \$\* (\* Units)  
Price: C\$\* per Unit

**Underwriter(s) or Distributor(s):**

Bloom Burton Securities Inc.

**Promoter(s):**

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**Project #2916680**

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**Issuer Name:**

Teranga Gold Corporation  
Principal Regulator – Ontario

**Type and Date:**

Preliminary Shelf Prospectus dated May 17, 2019  
NP 11-202 Preliminary Receipt dated May 17, 2019

**Offering Price and Description:**

\$500,000,000.00 – COMMON SHARES, DEBT  
SECURITIES, SUBSCRIPTION RECEIPTS, WARRANTS,  
UNITS

**Underwriter(s) or Distributor(s):**

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**Promoter(s):**

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**Project #2918589**

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**Issuer Name:**

Trulieve Cannabis Corp. (formerly Schyan Exploration Inc.)  
Principal Regulator – Ontario

**Type and Date:**

Final Shelf Prospectus dated May 14, 2019  
NP 11-202 Receipt dated May 15, 2019

**Offering Price and Description:**

\$250,000,000.00  
Subordinate Voting Shares  
Debt Securities  
Warrants  
Subscription Receipts  
Units

**Underwriter(s) or Distributor(s):**

–

**Promoter(s):**

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**Project #2874343**

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**Issuer Name:**

Walcott Resources Ltd.  
Principal Regulator – British Columbia

**Type and Date:**

Final Long Form Prospectus dated May 15, 2019  
NP 11-202 Receipt dated May 16, 2019

**Offering Price and Description:**

\$350,000.00  
3,500,000 Common Shares at \$0.10

**Underwriter(s) or Distributor(s):**

PI Financial Corp.

**Promoter(s):**

Marshall Farris

**Project #2892057**

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## Chapter 12

# Registrations

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### 12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
New Registration	Northfront Financial Inc.	Exempt Market Dealer, Investment Fund Manager and Portfolio Manager	May 15, 2019
New Registration	Mohawk Private Wealth Inc.	Exempt Market Dealer	May 16, 2019
Name Change	From: MARS VX To: SVX	Exempt Market Dealer	May 2, 2019
New Registration	INTL FCStone Financial (Canada) Inc.	Futures Commission Merchant	May 17, 2019

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## Chapter 13

# SROs, Marketplaces, Clearing Agencies and Trade Repositories

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### 13.2 Marketplaces

#### 13.2.1 Canadian Securities Exchange – System Functionality – GMF Start Time – Notice of Approval

##### CANADIAN SECURITIES EXCHANGE

##### NOTICE OF APPROVAL

##### SYSTEM FUNCTIONALITY – GMF START TIME

In accordance with the *Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits Thereto*, CNSX Markets Inc. (“CSE”) has proposed, and the Ontario Securities Commission has approved, significant changes to the CSE trading system.

On March 28th, 2019 the CSE published *Notice 2019-002 – Amendments to Trading System Functionality & Features – Request for Comment* with respect to a change in the start time for orders to be eligible for the Guaranteed Minimum Fill (“GMF”) feature.

The significant change will result in the application of GMF eligibility criteria to orders entered in the continuous auction market only. Orders will be accepted pre-open, but will participate in the opening allocation based on price and time priority, rather than receiving a guaranteed fill.

The comment period expired April 29th, 2019. CSE did not receive any public comments regarding these proposed changes.

##### IMPLEMENTATION

The change will be effective Friday, May 31, 2019.

Questions about this notice may be directed to:

Mark Faulkner, Vice President Listings & Regulation,  
[Mark.Faulkner@thecse.com](mailto:Mark.Faulkner@thecse.com), or 416-367-7341

## 13.2.2 TSX – Notice of Housekeeping Rule Amendment to the TSX Company Manual

## TORONTO STOCK EXCHANGE

## NOTICE OF HOUSEKEEPING RULE AMENDMENT TO THE TSX COMPANY MANUAL

## Introduction

In accordance with the Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 (the “**Protocol**”), Toronto Stock Exchange (“**TSX**”) has adopted, and the Ontario Securities Commission has approved, a housekeeping amendment (the “**Amendment**”) to Part I of the TSX Company Manual (the “**Manual**”). The Amendment is a Housekeeping Rule under the Protocol and therefore has not been published for comment. The Ontario Securities Commission has not disagreed with the categorization of the Amendment as a Housekeeping Rule.

## Reasons for the Amendment

The Amendments relate to non-public interest changes to include Investors Exchange (“**IEX**”) in the definition of “Recognized Exchange” in Part I of the Manual.

## Summary of the Non-Public Interest Amendment

	Section of the Manual	Amendment	Rationale
1.	Part I – Definition of “Recognized Exchange”	Update definition to include IEX	Generally, TSX defers to other exchanges or jurisdictions for an expanded number of transactions as well as on certain corporate governance matters as they apply to certain interlisted issuers (the “ <b>Deference Model</b> ”). TSX views the Deference Model as appropriate where the other exchange and corporate laws have appropriate requirements and TSX has a clear minority of trading, although such requirements may not be exactly the same as the requirements in Canada. Similarly to New York Stock Exchange and Nasdaq Global Market, the IEX listing rules address security holder protection and marketplace quality, although the requirements are not exactly the same as those in Canada. TSX considers the IEX listing rules appropriate in relation to the Deference Model. In addition, the wording in the definition of “Recognized Exchange” provides TSX with the necessary discretion to include additional exchanges as “Recognized Exchanges”.

## Text of the Amendment

The Amendment is set out as blacklined text at Appendix A. For ease of reference, a clean version of the Amendment is set out at Appendix B.

## Effective Date

The Amendment becomes effective on May 23, 2019.

APPENDIX A

BLACKLINE OF NON-PUBLIC INTEREST AMENDMENT TO THE TSX COMPANY MANUAL

PART I INTRODUCTION

[...]

“**Recognized Exchange**” includes the following exchanges and marketplaces: New York Stock Exchange, NYSE MKT, NASDAQ, London Stock Exchange Main Board, AIM, Australian Securities Exchange, Hong Kong Stock Exchange Main Board, [Investors Exchange](#) and others, as may be determined by TSX from time to time;

[...]

APPENDIX B

CLEAN VERSION OF NON-PUBLIC INTEREST AMENDMENT TO THE TSX COMPANY MANUAL

PART I INTRODUCTION

[...]

“**Recognized Exchange**” includes the following exchanges and marketplaces: New York Stock Exchange, NYSE MKT, NASDAQ, London Stock Exchange Main Board, AIM, Australian Securities Exchange, Hong Kong Stock Exchange Main Board, Investors Exchange and others, as may be determined by TSX from time to time;

[...]

13.4 Trade Repositories

13.4.1 CME – Approval to Act as a Trade Repository in Ontario to Which Reporting Counterparties Can Report Trades in the Equity Asset Class – Notice of Commission Approval

**NOTICE OF COMMISSION APPROVAL**

**CHICAGO MERCANTILE EXCHANGE INC. (CME)**

**APPROVAL TO ACT AS A TRADE REPOSITORY IN ONTARIO  
TO WHICH REPORTING COUNTERPARTIES CAN REPORT TRADES IN THE EQUITY ASSET CLASS**

The Ontario Securities Commission (OSC) approved on May 14, 2019 CME's application for approval for accepting derivatives data for the equity asset class in regards to trades reported by reporting counterparties under the OSC Rule 91-507 *Trade Repositories and Derivatives Data Reporting* (TR Rule).

As a designated trade repository pursuant to subsection to 21.2.2(1) of the *Securities Act*, CME is subject to the terms and conditions of its Order and requirements in the TR Rule. Section 5 of the CME Order states that "*CME shall not act as a trade repository designated in Ontario to which reporting counterparties report trades in an asset class other than commodity, credit, interest rate, and foreign exchange, to meet the requirements under OSC Rule 91-507 without prior written approval of the Commission.*"

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